**SMEL/SE/2026-27/60** **August 3, 2026**

| | |
|---|---|
| **The Secretary,**<br>**Listing Department, BSE Limited**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai 400 001<br>Maharashtra, India<br>Scrip Code: **543299** | **The Manager – Listing Department**<br>**National Stock Exchange of India Limited**<br>"Exchange Plaza", 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India<br>Symbol: **SHYAMMETL** |

**Sub: Annual Report for the Financial Year 2025-26 of Shyam Metalics and Energy Limited**

**Dear Sir/Madam,**

Pursuant to Regulations 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are enclosing herewith the Annual Report of the Company incorporating Notice of the Annual General Meeting for the Financial Year 2025-26. The same is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar & Share Transfer Agent ('RTA')/Depository Participant(s) ('DPs') in compliance of the Regulations 36(1)(a) of the SEBI Listing Regulations.

Further, in accordance with the Regulation 36(1)(b) of the SEBI Listing Regulations, the Company has initiated sending a letter to the Shareholders whose e-mail addresses are not registered with the Company/RTA/DPs, providing a web-link from where the Annual Report can be accessed on the website of the Company.

The Annual Report is available on the website of the Company at www.shyammetalics.com.

We request you to take the above on record.

Thanking you,
**For Shyam Metalics and Energy Limited**
Birendra Kumar Jain
Digitally signed by Birendra Kumar Jain
Date: 2026.08.03 18:39:51 +05'30'
**Birendra Kumar Jain**
**Company Secretary & Compliance Officer**
**Membership No. F13320**

Encl: as above

# **Ore** to Metal.
# Metal to **Value**.

Shyam Metalics and Energy Limited

Annual Report 2025-26

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*For more investor-related information, please visit: https://shyammetalics.com/*

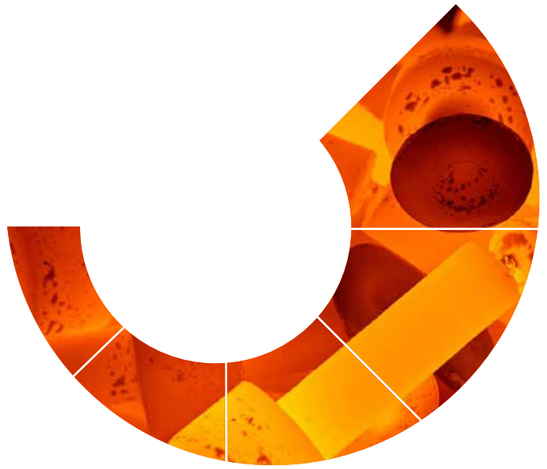
*Or*

*Scan this QR code to navigate to investor-related information.*

| | |
|---|---|
| Market Capitalisation as on BSE / NSE (March 31, 2026) | ₹ 21,487.57 Crore/ ₹ 21,523.86 Crore |
| CIN | L40101WB2002PLC095491 |
| BSE Code | 543299 |
| NSE Symbol | SHYAMMETL |
| AGM Date | August 25, 2026 |
| AGM Venue | Video Conferencing (VC)/Other Audio-Visual Means (OAVMs) |

**Disclaimer**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information.



# **Build** the **moat.** Then **build** from the **moat.**

This has been our operating philosophy for over two decades. We built vertically integrated operations spanning ore to finished steel. We secured captive power to anchor cost leadership. We connected plant to port through dedicated logistics. Every layer added with a single objective: to create an industrial foundation resilient enough to fund what comes next.

What comes next is already here. We are building a stainless-steel platform serving infrastructure and engineering. We are operating an aluminium foil facility that will cater to the EV battery value chain in the current year. We are commissioning a manufacturing facility for railway wagons from our own metal for the nation's rail network. We are setting up a Special Bar Quality Mill dedicated for auto-grade steel which should see the light of day in the next 2-3 years. Our ore-to-metal mastery is now generating metal-to-value outcomes.

*This report documents our transition from foundation to forward momentum.*

# Three Rankings. **Twenty** Years. **Zero** Losses.

India's 6th Largest Integrated Steel Producer. The 2nd Largest Coal-Based Sponge Iron Player. The Largest Aluminium Foil Manufacturer in the Country.

We were none of these in 2005. We were a single sponge iron unit in West Bengal with a conviction that vertical integration could build a structurally profitable metals company.

Twenty years later, we operate a 16.78 MTPA integrated manufacturing platform across eight manufacturing facilities in four states. We have recorded a profit in every single year since inception.

Every year through the 2008 financial crisis. Every year through the 2015 commodity downturn. Every year through the pandemic.

Twenty-year numbers. Not peak-cycle numbers.

Even during our most tested periods, these rates held at 16% (Revenue growth), 19% (EBITDA growth) and 12% (Net Profit growth) respectively. Growth slowed. But, it held.

Our promoters hold 74.59% of the Company today. Over ₹ 1,600 Crore returned to shareholders since listing. This is a business built entirely on reinvesting its own earnings. And it still rewards the people who believed in it.

These credentials were assembled for deployment. The compounding speaks for itself.

**24%**
*REVENUE CAGR ACROSS TWO DECADES*

**31%**
*EBITDA CAGR ACROSS TWO DECADES*

**31%**
*PAT CAGR ACROSS TWO DECADES.*

# The **Lowest Cost** in the Room

In commodity markets, when prices fall, the high-cost producer bleeds. The low-cost producer gains market share. This is physics, plain and simple.

We generate 81–83% of our power captively across a 467 MW installed base, for ₹2.44–2.49 per unit against a grid average of ₹2.97–3.06. The advantage is deliberate. It is engineered. Our sponge iron kilns, ferro alloy furnaces and power plants operate as a single thermal loop. Waste heat from one process fuels the next, creating an energy synergy that compounds efficiency at every stage.

We move material on our own terms. Captive railway sidings. Dedicated rakes. Multi-modal access to four deep-water ports: Visakhapatnam, Haldia, Paradip and Dhamra. When logistics is owned outright, cost certainty becomes a structural feature of the business.

Our manufacturing facilities sit within 250 km of India's richest mineral corridors across West Bengal, Odisha, Madhya Pradesh and Jharkhand. We hold 1,827 acres of land, of which 489 acres remain unoccupied. When competitors spend 12 to 24 months acquiring land for their next project, we break ground.

A 100 MW solar power project (in the pipeline) and 5.1 MW wind power project (operational) projects now adds a renewable layer to this cost architecture.

***467 MW** captive power. **4 ports**. **1,827 acres.***
*One cost floor.*

# The **Discipline** to **Start**. The **Discipline** to **Stop**.

Every major capital decision at Shyam Metalics follows a five-step process we call Research to Value.

It begins with global research. Two to three months of first-hand study to identify emerging market gaps and supply-chain opportunities. It moves through problem identification, project-fit validation against our integrated model and rigorous capital allocation. It concludes with execution at scale. In twenty years of applying this methodology, we have had zero failed projects.

The discipline to start small is visible in our stainless steel entry. We identified a structural gap in India's stainless steel supply chain and acquired Mittal Corp to enter the business in a measured manner, enabling us to understand the market while securing backward integration through our existing ferro alloy capabilities. We extended an existing value chain into a higher-margin segment.

The discipline to stop is equally visible. We dropped our DI Pipe project after recognising the structural shift to O-PVC alternatives, 30-40% cheaper and increasingly favoured by government tenders. Capital was preserved. Capital was redirected.

*One methodology. Twenty years. Zero failed projects.*

***The surplus knew where to go. And when to wait.***

# From **Commodity to Speciality**. From **Tonnage to Value**.

A strategic shift towards value-added products is expected to reshape the revenue mix—from 56% in FY26 to 88% by FY31, strengthening profitability and enhancing long-term value creation.

**Carbon steel** remains the foundation. A 1.58 MTPA Hot Strip Mill built on CSP technology eliminates the reheating stage and lowers energy cost per tonne. A 0.8 MTPA SBQ Mill addresses the speciality wire rod and bar market. Our CRM Phase 2 facility at Jamuria is commissioned, and operating across 55 acres. A 0.15 MTPA colour-coated plant was commissioned in April 2026.

**Stainless steel** is the high-barrier entry. We are expanding capacity to 0.6 MTPA with Precision Cold Rolling, Bright Annealing, HR Annealing and Pickling lines. Our 200 and 400 series focus reduces nickel dependency and serves engineering, white goods and infrastructure sectors. The Government of India now mandates stainless steel for national highway bridges and marine-environment projects. India's per capita consumption remains among the lowest in the world. EBITDA per tonne ranges from ₹7,000 to ₹12,000 for standard grades, scaling to ₹30,000 for niche SKUs. Subrata Bhattacharya, a 39-year veteran and former Whole-Time Director at Jindal Stainless, has joined our Board to steward this growth.

**Aluminium** is the integration story. We are India's largest aluminium foil manufacturer, running at over 90% utilisation, exporting 24% of output to pharmaceutical and packaging markets. A 0.06 MTPA Flat Rolled Products (FRP) mill, once operational, will feed our 18,000-tonne foil plant, completing backward integration. Anti-Dumping Duty approval on imported foils provides a structural tailwind. Revenue is scaling from ₹1,000 Crore toward ₹2,000- ₹2,500 Crore. EV battery foil opens the next chapter.

***VALUE-ADDED PRODUCTS CONTRIBUTION TO REVENUE***

*56% in FY26. 88% by FY31.*
*The direction is irreversible.*

***The metal is the same. What it becomes is entirely new.***

# The **Only Company** in India That Can Do This.

Mine the ore. Smelt the metal. Roll the steel. Shape the wagon. Load it onto captive sidings. Deliver it to the national rail network. End-to-end. One company.

We are building a 4,800-wagon-per-annum manufacturing facility with a capital outlay of ₹200 Crore, leveraging our existing railway sidings and steel-melting infrastructure. The facility will consume stainless-steel flat products from our own expanding capacity. The offtake is captive. The value-chain spread is captured in full.

Our presence in both stainless steel and aluminium positions us well to cater to evolving market requirements, including light weight aluminium wagons, should demand emerge. This value addition allows us to widen our market canvas by adding the B2G model to our existing B2B and B2C market segments.

There is a secondary efficiency at work. Unsized metal products from our mills, material that typically moves at commodity pricing, are redirected into wagon manufacturing. The recovery value per tonne rises. The margin per tonne rises with it.

The ambition extends further. Specialised engineering manufacturing, including metro rail components, is the natural next step for a platform that already converts its own metal into national infrastructure.

*4,800 wagons. ₹200 Crore. One integrated value chain from pit to track.*

***This is Metal to Value. Literally.***

# **2.3x** Revenue. **2.7x** EBITDA.

*One number. One ambition. One funding model.*

By FY31, we target revenue and operating EBITDA to increase to 2.3x and 2.7x their FY26 levels, respectively. Revenue is targeted to scale to ₹42,500 Crore-plus, while operating EBITDA is targeted to scale from ₹2,333 Crore to ₹6,200 Crore-plus. Volume growth is targeted at 15-20% CAGR. Value-added products are targeted to contribute 88% of the portfolio.

The funding model remains unchanged. Every rupee of this expansion will be financed through internal accruals. Guided by a disciplined 70:20:10 capital-allocation strategy across growth, liquidity and returns, we have consistently funded expansion while delivering one of the strongest returns on invested capital in Indian manufacturing. This reflects the same balance sheet discipline that has kept the Company net cash positive through two decades of capacity building.

Our captive power capacity will scale to 782 MW. Our manufacturing platform will operate on CSP, Danieli and Achenbach technologies. Our product portfolio will span carbon steel, stainless steel, speciality alloys, aluminium and railway wagons across multiple states and export markets.

*REVENUE*

→ ₹ **18,552** *Crore* → ₹ **42,500** *Crore plus*

*Operating EBITDA*

→ ₹ **2,333** *Crore* → ₹ **6,200** *Crore plus*

*VALUE-ADDED PRODUCTS SHARE IN TOPLINE*

→ **56%** → **88%**

*The transition from Ore to Metal took twenty years. The transition from Metal to Value is ahead of schedule.*

## STATEMENT FROM THE CHAIRMAN EMERITUS

"We built this culture deliberately, over decades, because we understood that a company **capable of enduring across generations must be anchored in something deeper than any individual's vision**."

*Dear Shareholders,*

तस्मादसक्तः सततं कार्यं कर्म समाचर।
असक्तो ह्याचरन्कर्म परमाप्नोति पूरुषः॥

*— Bhagavad Gita 3.19*

Perform your duty with dedication, without attachment to results. This verse has been my compass for over five decades in the industry. At Shyam Metalics, it has become something larger than personal philosophy. It has become the operating culture of an institution.

What began in 1991 with a small team and a clear vision has today become one of India's most respected integrated metal producers. This journey, spanning three decades, has been extraordinary in its scope and humbling in its lessons. Every milestone was built upon the collective efforts of thousands of people whose trust, commitment and hard work strengthened this Company year after year. As Chairman Emeritus, I carry deep gratitude for every individual who contributed to this journey.

### The Institution Beyond the Individual

There comes a point in the life of every enterprise where it must grow beyond its founders. The processes must outlast the people who designed them. The values must hold firm even when the voices that first articulated them step back. This is the transition from enterprise to institution.

Shyam Metalics has made this transition. Our identity today rests on professional management, disciplined capital allocation, ethical conduct and a governance framework that holds every decision to a high standard of accountability. We built this culture deliberately, over decades, because we understood that a company capable of enduring across generations must be anchored in something deeper than any individual's vision.

### The Next Generation

I stepped down as Chairman in May 2025 with full confidence in the leadership that succeeds me. Our Executive Chairman, Mr Brij Bhushan Agarwal, carries decades of experience and a deep command of the business and its values. Our Joint Managing Director, Mr Sanjay Kumar Agarwal, brings operational precision and a commitment to manufacturing excellence. Mr Sheetij Agarwal, as Head of Strategy, adds the perspective of a new generation, shaped by his education at the D'Amore-McKim School of Business, Northeastern University, and a rigorous analytical approach to capital decisions.

Together with an experienced Board that includes distinguished leaders from India's industrial and legal landscape, this team carries the Company forward with a blend of continuity and fresh ambition. The values remain. The energy multiplies.

### A Company That Builds a Nation

Shyam Metalics has always understood that its growth is linked to India's progress. Every facility we build, every technology we adopt, every job we create contributes to the industrial capability of this nation. This responsibility is one I have carried with pride throughout my career, and one I am certain the next generation of leadership will carry with equal conviction.

### Giving Back

The work closest to my heart has always been our contribution to the communities we operate in. Through the Shyam Metalics Foundation, we support healthcare, education, skill development, rural livelihoods, environmental stewardship and animal welfare. From health camps and ambulance services to computer literacy centres, scholarships for women, and support for gaushalas caring for over 1,00,000 cows, our work touches thousands of lives each year. True progress is measured by how many people it reaches.

### What I Hope They Remember

When future generations look at this Company, I hope they see an institution that chose integrity at every crossroads. That valued long-term substance over short-term recognition. That built industries, created livelihoods and strengthened communities while remaining humble about its achievements.

I offer my blessings and deepest gratitude to every shareholder, employee, customer, partner and well-wisher who has walked this journey with us. The finest chapter of Shyam Metalics is being written now.

*Best Regards,*

**Mahabir Prasad Agarwal**
*Chairman Emeritus*

## STATEMENT FROM THE CHAIRMAN AND MANAGING DIRECTOR

"We entered stainless steel by extending an **existing value chain**. That distinction defines everything about how this **Company allocates capital**."

*Dear Shareholders,*

*FY26 is an important milestone.* For twenty years, Shyam Metalics invested in building an integrated metals platform. Ore to metal. Captive power. Captive logistics. Self-funded growth. That platform is now producing outcomes it was always designed to produce: diversified, value-added products serving industries with long structural demand runways.

Our product mix has shifted decisively toward finished and value-added segments. Our portfolio now spans four metal categories. Every new segment leverages the integrated base we already own. Every expansion is financed through internal accruals.

The transition from 'Ore to Metal' to 'Metal to Value' is the defining narrative of this Company. FY26 is the year it became visible.

### The Macro Tailwind

India's economy is growing at 7-8% annually, driven by sustained investment in infrastructure, railways, defence, clean energy and electric mobility. The demand profile for metals is shifting. What the economy requires today is differentiated materials, specialised alloys and precision-manufactured products.

The imposition of safeguard duties on steel imports has improved pricing discipline in the domestic market. The January price correction confirmed the impact. For an integrated producer with captive raw materials, self-generated power and owned logistics, this environment is structurally favourable.

### How We Allocate Capital

Our approach to portfolio expansion follows a clear principle: extend the value chain, never leave the integrated base.

The stainless steel entry through Mittal Corp is the defining example. We identified the opportunity through our Proprietary Research to Value methodology, our proprietary Research to Value methodology-the discipline behind every capital decision we have made. We recognised that our existing operations provided natural backward integration into stainless steel manufacturing. We acquired downstream processing capability, gaining access to a segment with growing structural demand driven by government policy and national infrastructure investment.

Every subsequent capital decision follows the same logic. Does the project leverage the integrated platform? Does it carry a cost advantage from inception? Does the market offer a long structural runway? Only when all three answers are yes do we allocate.

This discipline is why we dropped the DI Pipe project. And this discipline is why every project we have funded in twenty years has delivered returns.

### The Market Opportunity

Our expanding product portfolio is creating new customer relationships and opening new geographies.

Domestically, we serve infrastructure, automotive, packaging, pharmaceutical and consumer goods sectors with an increasingly differentiated product range. Internationally, our export footprint is growing as aluminium foil reaches defence and packaging markets abroad. The SEL Tiger brand is deepening our presence across B2C and industrial channels.

Our goal is to be the integrated metals partner of choice for customers who value quality, supply reliability and product breadth from a single source.

### Sustainability as Strategy

Our captive power infrastructure is both a cost moat and a carbon hedge. Generating over 80% of energy internally positions us as a preferred supplier to customers with rigorous ESG requirements. This advantage compounds as sustainability standards tighten across global supply chains.

### The FY31 Destination

We are building a company three times the size of today's. Funded entirely from within.

Internal accruals will fund the expansion. The balance sheet will remain strong. The promoter stake will remain undiluted. The product portfolio will span four metal categories. The revenue mix will be weighted decisively toward value-added and speciality products.

This is the architecture. The construction is well underway.

### With Gratitude

I thank our Board of Directors, employees, customers, investors, suppliers and partners for their continued trust. We are building something that will endure.

Warm Regards,

**Brij Bhushan Agarwal**
Chairman and Managing Director

# STATEMENT FROM THE JOINT MANAGING DIRECTOR

**"We operated our blast furnace at optimum capacity utilisation.** We generate power at ₹2.0-2.5 per kWh from waste heat. These are the numbers that define manufacturing discipline."

Dear Shareholders,

*Strategy is a document. Execution is a result. FY26 was a year of results.*

Across our manufacturing facilities, newly commissioned assets reached and exceeded rated capacities. Project timelines were met. Operating efficiencies improved. The investments of the past three years translated into physical, measurable outcomes on the shop floor. This message reports on those outcomes.

## Manufacturing Excellence

The performance of our blast furnace operations is the headline achievement of the year. We are operating at a coefficient of approximately 4.5 against a normal industry standard of 3.5. This performance reflects the quality of our raw material integration, our thermal management and the skill of our operating teams.

At Jamuria, Phase 2 of our Cold Rolling Mill complex was commissioned in April 2026 across a 55-acre facility, fully operational. Our colour-coated line is running at 70% utilisation and ramping steadily. Our stainless steel wire operations have scaled from 10,000 to 20,000 tonnes during the year, reflecting growing downstream capability and market acceptance.

We also encountered challenges. Monsoon-related moisture control issues affected blast furnace operations during the rainy season. The issues were diagnosed, corrected and documented. Reporting what went wrong is part of our operational discipline, alongside reporting what went right.

## Technology on the Shop Floor

We select technology partners for specific operational outcomes, and we measure them against those outcomes.

CSP technology in our Hot Strip Mill eliminates the intermediate reheating stage in HR coil production. The result is lower energy consumption per tonne and higher throughput. It is one of the most advanced steel processing technologies deployed in India today.

Danieli rolling mill technology from Italy for our stainless steel unit delivers precision and consistency across our long and flat product lines. The quality edge is visible in customer acceptance rates and repeat order patterns.

Achenbach technology from Germany powers our aluminium foil operations at the tolerances required for EV battery-grade foil production, among the most demanding specifications in metals manufacturing.

These are tools. They are measured by what they produce. Each was chosen for a defined operational outcome. Each is performing.

## The Power Mix Shift

Our energy profile is undergoing a defining structural change. This means a progressively larger share of our power comes from waste heat recovery and green power, reducing purchased fuel dependency and lowering generation cost.

WHRB-specific generation cost currently stands at ₹2.0 to 2.5 per kWh. The 90 MW captive power expansion is on track. The Odisha unit is commissioned. The West Bengal unit is targeted for August.

Every megawatt recovered from waste heat is a megawatt generated for free. The direction is toward complete energy self-sufficiency.

## Operational Sustainability

On our shop floors, sustainability is an operating method.

Circular manufacturing practices convert industrial by-products into productive resources. Washery rejects and process gases fuel captive power generation. Zero Liquid Discharge systems govern water management across facilities. We pursue emission reduction through continuous process optimisation and technology upgrades. These practices run daily. They are part of how we make metal.

## Our People

Behind every furnace rating, every utilisation number and every commissioning milestone in this message stands a capable and committed team.

We continue to invest in technical capability building, safety culture, leadership development and digital skills. Experienced professionals strengthen our technical leadership. Cross-functional learning prepares our teams for increasingly sophisticated manufacturing technologies. Workplace safety remains a priority across every facility.

Our people are the manufacturing platform.

## The FY27–FY28 Roadmap

The next two years are about converting investment into steady-state performance.

Carbon steel projects commissioned during FY26 are stabilising. Stainless steel and aluminium facilities are targeted for commissioning in the next 12-24 months. The wagon manufacturing facility is progressing toward production readiness. The Hot Strip Mill and SBQ projects will further strengthen downstream integration.

FY2027–28 is the inflection point-the year when these investments mature into steady-state operations and begin contributing meaningfully to overall manufacturing performance.

## Forward

Manufacturing excellence is built through thousands of disciplined decisions taken every day, each one small, each one consequential. We are making them with discipline, precision and pride.

I express my sincere gratitude to our employees, customers, suppliers, partners and shareholders for their continued trust.

Warm Regards,

**Sanjay Kumar Agarwal**
Joint Managing Director

## MESSAGE FROM THE DIRECTOR, FINANCE AND CHIEF FINANCIAL OFFICER

"**53%** of our planned capex has already been incurred, with **38% capitalised** and contributing to operations. The balance investment remains fully funded, providing strong visibility for future capacity additions and **earnings growth**."

*Dear Shareholders,*

*The financial case for Shyam Metalics has never been stronger. Allow me to explain why.*

Revenue from operations grew 22% to ₹18,552 Crore during the year. Operating EBITDA grew 25% to ₹2,333 Crore. Profit after tax reached ₹1,060.17 Crore. Sales volumes rose 26% to 4.94 million tonnes. We reduced our working capital cycle from 22 days to 9 days during the year. Faster inventory turns. Improved receivables management. What makes these numbers significant is the context in which they were delivered. Pricing remained soft through much of the year.

The growth came from volume gains, operating leverage from higher asset utilisation and an improving product mix. When a company grows earnings through a pricing downcycle, it tells you something fundamental about the underlying model. This earnings growth is structural. It will repeat.

The year also brought an important external validation. CRISIL upgraded our long-term credit rating from AA (Positive) to AA+ (Stable), the highest in our peer group. This upgrade was awarded at the peak of our capital expenditure cycle, which makes it all the more significant. A rating agency concluding that a company is becoming financially stronger while investing at record levels is a powerful endorsement. The practical impact extends well beyond credibility. An AA+ rating compresses our weighted average cost of capital. Every percentage point saved on the cost of debt enhances the return on every rupee of invested capital. For a company deploying ₹10,155 Crore over the next 3-4 years, WACC compression is a financial moat in its own right.

Our capital allocation continues to be governed by a single framework: 70:20:10. Seventy percent of surplus reinvested in growth. Twenty percent retained as liquidity. Ten percent distributed to shareholders. This framework has operated consistently since listing. It has funded our entire manufacturing footprint, our multi-metal diversification and the largest capital expenditure programme in our history.

The results of this framework are visible in our capex deployment. Against our ₹16,086 Crore plan, we have incurred ₹8,630 Crore. Of this, ₹6,136 Crore has been capitalised, representing 38% of total planned capex, the remaining of the amount incurred, ₹2,494 Crore has been deployed into assets that are commissioning, ramping or approaching steady-state production. Over the next 18-24 months, these assets will begin contributing to revenue and EBITDA without requiring additional capital deployment. The capital has been spent. The returns are arriving. The market has not yet priced it.

The Board has approved a fresh capex of ₹6,660 Crore for the next phase and an additional ₹2,700 Crore allocated to a ₹900 Crore SBQ Mill and a ₹1,800 Crore stainless steel expansion, both targeting March 2029. The aggregate capital investment programme over the next 3-4 years stands at approximately ₹10,155 Crore, funded entirely through internal accruals. Shareholders have also approved a ₹7,500 Crore enabling resolution, providing the capacity to act on future opportunities. As of today, there are no immediate utilisation plans. It is dry powder, held in reserve.

The balance sheet that supports this programme is worth studying closely. We ended the year net cash positive at ₹378 Crore. Our debt-to-equity ratio stands at 0.08x against a self-imposed cap of 0.5x. Our total investments of ₹1,335 Crore exceed our gross debt of ₹957 Crore. A company with more investments than debt, cash in hand after deploying ₹8,630 Crore and the highest credit rating among its peers. The balance sheet is compounding through the expansion.

As these investments mature, capital productivity will become the defining financial narrative. Our medium-term targets are a ROCE of 22% and an ROE of 20%. With 62% of our capex yet to reach the P&L, the trajectory toward these targets is embedded in the existing asset base. The growth has already been funded. The earnings are a function of time, not additional spend. This is the embedded optionality in our financial profile.

Our segment revenue guidance for FY27 reflects the same trajectory. We are targeting revenue of ₹1,500–2,000 Crore from stainless steel, ₹2,000–2,500 Crore from colour-coated sheets/ coils, and ₹3,000–3,500 Crore from pig iron. Each of these businesses offers a margin profile superior to conventional commodity steel or strengthens our integrated value chain, enabling a structural improvement in the quality, resilience and sustainability of our earnings as their contribution to the revenue mix increases. Working capital discipline strengthened materially during the year, driven by integrated manufacturing, captive logistics and tighter inventory management. Cash conversion improved quarter by quarter.

On the risk front, commodity price movements, foreign exchange exposures, interest rate fluctuations and liquidity risk are monitored through structured treasury practices. Safeguard duties on steel imports have provided a favourable margin environment for integrated domestic producers.

We remain committed to consistent and growing shareholder returns. The Board has recommended a dividend for the year, reflecting our balanced approach toward rewarding shareholders while retaining the resources required to fund the next phase of growth.

I will close with this. Revenue growing. EBITDA growing. Credit rating rising. Balance sheet strengthening. ₹2,494 Crore of funded growth waiting to reach the P&L. ₹10,155 Crore of expansion ahead, fully funded from within. Every metric moving in the same direction. The financial architecture of this Company is designed to compound.

I thank our shareholders, lenders, customers, employees, partners and the Board of Directors for their continued trust.

Warm Regards,

**Deepak Agarwal**
Director, Finance and
Chief Financial Officer

# **SMEL** at a Glance

Ore to Metal. Metal to Value. This is our operating model and our growth thesis. We are an integrated multi-metal producer built to control cost at every stage, fund growth from within and convert industrial scale into diversified value creation.

## Our Background

Shyam Metalics and Energy Limited is one of India's leading integrated metal producers, operating eight manufacturing facilities across West Bengal, Odisha, Madhya Pradesh and Jharkhand. The product portfolio spans carbon steel, stainless steel, aluminium foil, colour-coated products, speciality alloys, Special Bar Quality (SBQ) steel, and railway wagons. The Company has recorded a profit in every year since inception.

## Our Vision

We aspire to be the global industry benchmark through value creation, process innovation, enhanced stakeholder participation & relentless pursuit of opportunity.

## Our Mission

Consistent with the vision and values of our founder Shri M. P. Agarwal, Shyam Metalics strives to leverage its cost-efficiency and effective utilisation of natural and human resources to attain high productivity for strengthening India's industrial base. Shyam Metalics believes in empowering people and introducing dynamic management practices to scale the heights of success and business excellence.

## Our Competitive Advantage

**Integration.** A single ownership structure connects ore beneficiation, captive power, intermediate processing and finished product manufacturing. Cost predictability and quality control are embedded across the chain.

**Geography.** All facilities sit within 250 km of India's mineral belts, proximate to national highways and deep-water ports.

**Logistics.** Captive railway sidings and dedicated rakes provide direct control over raw material inflow and product distribution.

**Energy.** Approximately 81% of power is sourced captively, with an expanding green energy portfolio.

**Diversification.** Seven product categories across four metal families reduce revenue concentration and cyclicality.

**Self-funded growth.** Every expansion phase has been financed through internal accruals. The balance sheet remains net cash positive.

# In a nutshell

**8**
**Manufacturing Facilities**

**16.78 MTPA**
**STEEL CAPACITY**

**467 MW**
**CAPTIVE POWER**

**20,300+**
**TEAM SIZE**

**₹ 11,349 CR**
**CAPITAL EMPLOYED, March 31, 2026**

**₹ 21,487.57 CR**
**MARKET CAPITALISATION, March 31, 2026**

OUR JOURNEY

# Milestones That Shaped Us

## 2025-2026

MOVING UP THE VALUE CHAIN

**Focus:** Commissioned a Blast furnace, strengthened captive power and accelerated the transition toward value-added products.

**Impact:** Higher Margins & Better Returns

## Vision 2031

A NEW ENTERPRISE

**Focus:** Speciality products, value-added downstream integration, sustainable manufacturing, and disciplined capital allocation to create long-term shareholder value.

**Impact:** Future-Ready Industrial Leader

## 2022-2024

CREATING NEW GROWTH ENGINES

**Focus:** Expanded into stainless steel, roofing solutions, aluminium products, colour-coated and Galvalume sheets, while crossing 15 MTPA metal capacity.

**Impact:** Multi-Metal Diversification

## 2016-2021

EXPANDING THE PLATFORM

**Focus:** Entered TMT bars and wire rods, commissioned aluminium foil manufacturing, expanded capacities, and successfully listed on NSE & BSE.

**Impact:** Diversified Revenue Streams

## 2010-2015

SCALING WITH INTEGRATION

**Focus:** Expanded Sambalpur and Jamuria operations, strengthened ferro alloy capabilities, and developed captive power and railway infrastructure.

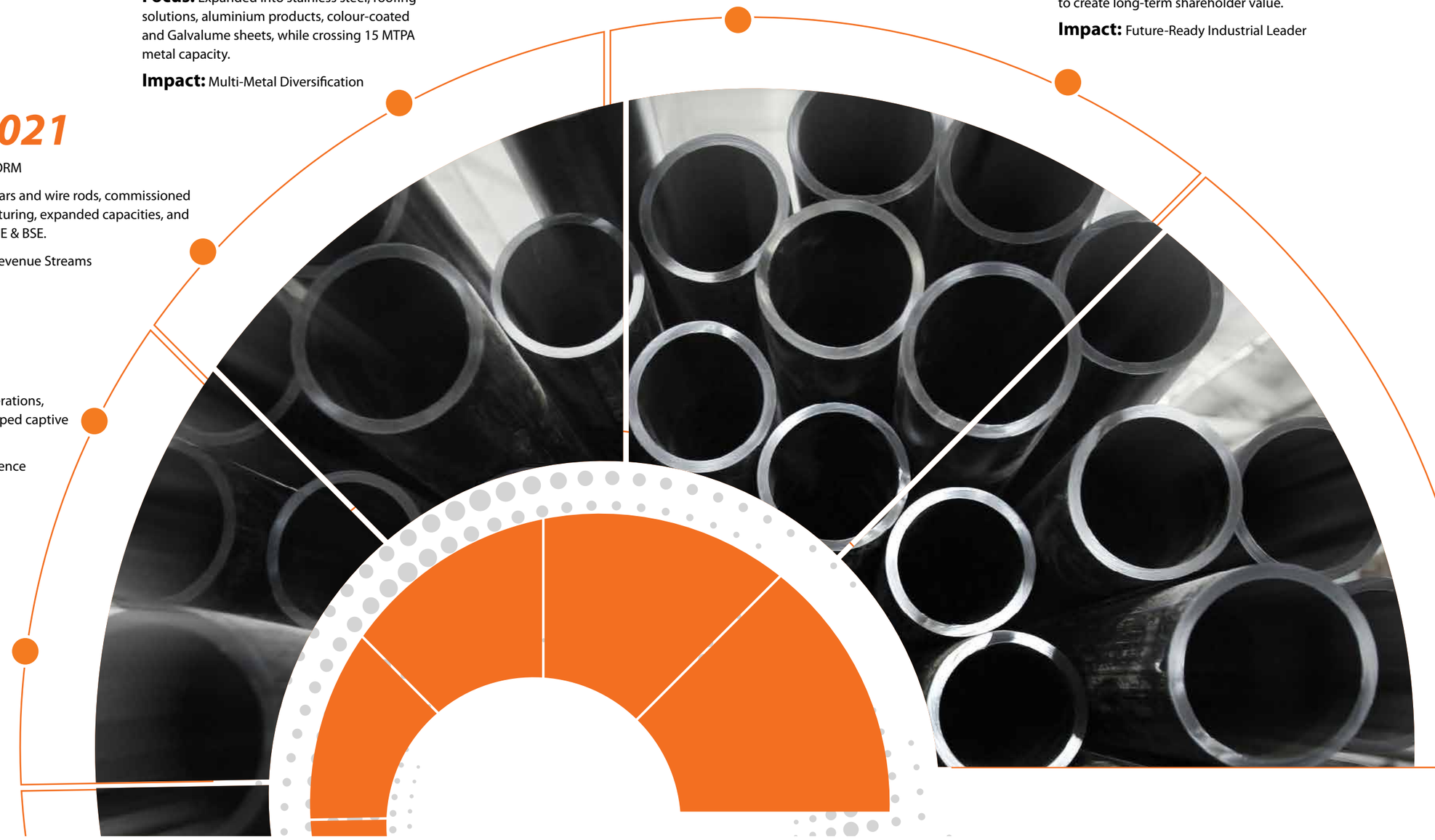
**Impact:** Cost Leadership & Operational Excellence

## 2005-2010

BUILDING THE FOUNDATION

**Focus:** Established integrated manufacturing capabilities and commissioned sponge iron operations, laying the foundation for an "Ore to Metal" ecosystem.

**Impact:** Integrated Manufacturing Platform



OUR PRESENCE

# An **Industrial** Footprint Built for **Scale**

Eight manufacturing facilities. Four states. 1,827 acres of operational and expansion-ready land. Our presence across West Bengal, Odisha, Madhya Pradesh, and Jharkhand places us at the centre of India's most resource-rich industrial corridor — with direct access to mineral belts, national highways, major ports, and captive railway infrastructure.

This is not incidental geography. It is deliberate industrial design. Every facility sits within efficient reach of both raw material sources and consumption markets, compressing logistics costs and reinforcing supply chain resilience across the value chain.

Of our total land bank, 1,338 acres are under active operations and 489 acres remain available for future expansion — providing a substantial runway for capacity additions without the constraints of greenfield land acquisition. Strategic proximity to the ports of Haldia, Paradip, Dhamra and Visakhapatnam, combined with captive railway sidings at Sambalpur and Jamuria and a fleet of 19 railway rakes, anchors our integrated Ore-to-Metal ecosystem in physical infrastructure, not just operational intent.

## Manufacturing Facilities

**1 JAMURIA, West Bengal**
Our flagship integrated complex and a cornerstone of our growth architecture. The facility houses a state-of-the-art Cold Rolling Mill complex of 55 acres and is supported by captive railway sidings for efficient raw material movement and outbound logistics.

**2 KHARAGPUR, West Bengal**
The site of our next phase of value creation. The commissioning of a new blast furnace and an advanced railway wagon manufacturing facility has significantly expanded downstream capacity. An upcoming Special Bar Quality (SBQ) mill will further extend our portfolio into high-specification product categories.

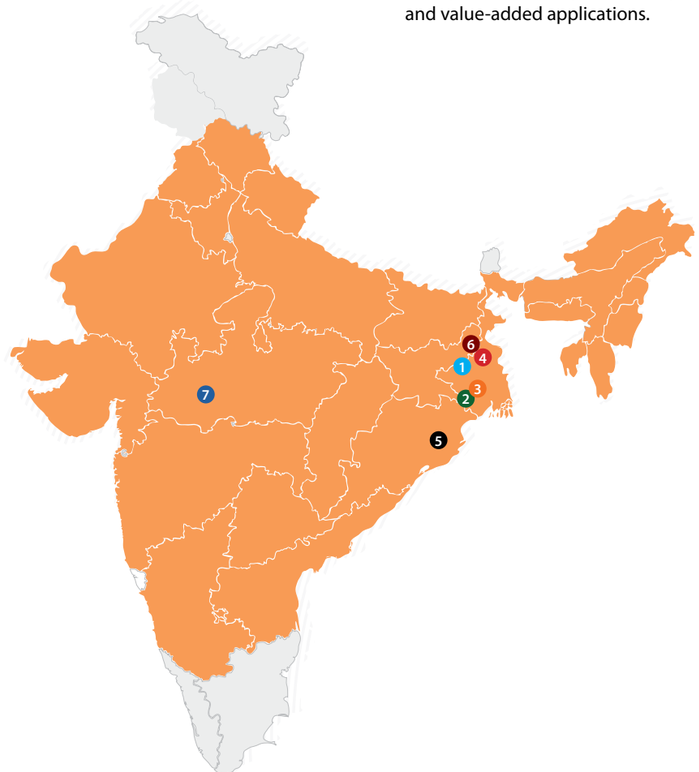
**3 PAKURIA, West Bengal**
Located in Pakuria, West Bengal, the facility has an installed capacity of 0.024 MTPA (24,000 TPA) and is equipped with advanced Achenbach (Germany) technology across two production lines. The commissioning of a downstream heat treatment process further enhances its capability to manufacture specialised, high-value aluminium foil products.

**4 MANGALPUR, West Bengal**
A specialised production unit with an aggregate capacity of 0.1 MTPA, complementing our integrated network and enhancing operational flexibility across the diversified product portfolio.

**5 SAMBALPUR, Odisha**
A fully integrated manufacturing hub combining scale with rail-linked connectivity. Sambalpur is also the focal point of our stainless steel expansion — home to the world-class downstream capabilities we are building to deepen our presence in value-added products.

**6 GIRIDIH, Jharkhand**
Located in Giridih, Jharkhand, the facility is equipped with advanced rolling technology capable of producing aluminium foil in thicknesses ranging from 5 to 40 microns.

**7 PITHAMPUR, Madhya Pradesh**
The anchor of our stainless steel business, manufacturing billets, bright bars, and wire rods. Advanced processing capabilities at this facility reinforce our position in speciality steel and value-added applications.



# Global **Operational** Presence

## Our Business Mix

**10%**
**Export Contribution to Revenue in FY26**

**23%**
**Aluminium Foil Products**

**52%**
**Speciality Alloys for Industrial Applications**

**26%**
**Integrated Steel Solutions**

* Percentages may not total 100% due to rounding.

PRODUCT PORTFOLIO

# A **Portfolio** Built for **Performance**

Our diversified product portfolio reflects the strength of our integrated manufacturing platform and our strategic evolution into one of India's leading multi-metal, value-added producers. Spanning both the steel and aluminium value chains, our offerings range from intermediate products such as pellets, sponge iron, pig iron, billets, and ferro alloys to high-quality finished products including TMT bars, wire rods, structural steel, stainless steel, aluminium foils, roofing solutions, and an expanding portfolio of speciality products.

PRODUCT PORTFOLIO

# Iron Ore **Pellets**

## Role in the Value Chain

A critical feedstock for sponge iron and blast furnace operations, iron ore pellets improve furnace productivity through superior iron content, uniform sizing, and enhanced metallurgical efficiency.

## Our Capabilities

Our pellet facilities manufacture high-quality pellets using advanced process technology, supplying both our integrated manufacturing operations and external customers across multiple industrial markets.

## Strategic Advantage

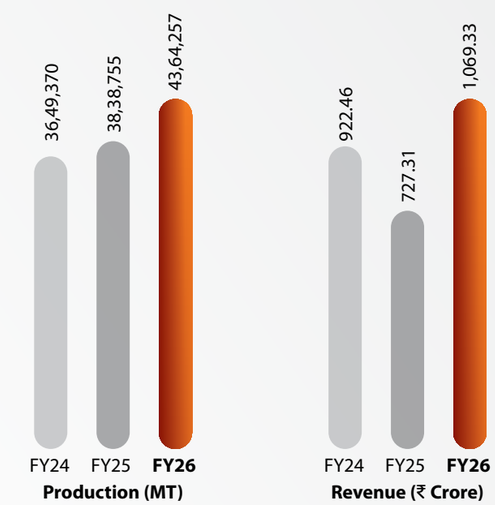
High-quality pellet production strengthens raw material security, improves operational efficiency, and reinforces the competitiveness of our integrated manufacturing ecosystem.

## FY26 **Snapshot**

**6** MTPA
**Production Capacity**

**72.74%**
**Capacity Utilisation**

**5.76%**
**Contribution to total revenue**



PRODUCT PORTFOLIO

# Sponge Iron

## Role in the Value Chain

Sponge iron serves as the primary metallic input for steelmaking, forming the foundation for downstream products across our integrated manufacturing operations.

## Our Capabilities

Our modern rotary kiln facilities manufacture premium-grade sponge iron, ensuring consistent quality while supporting both captive consumption and external customer requirements.

## Strategic Advantage

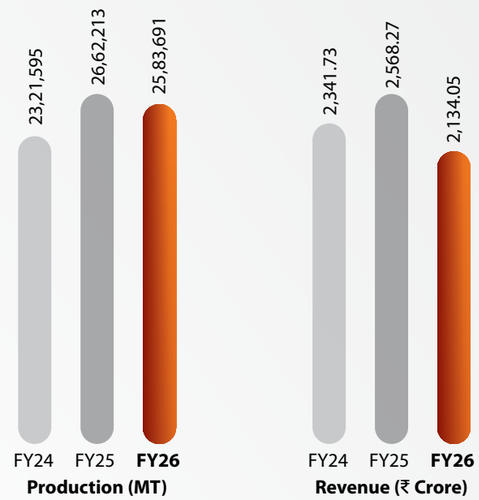
Integrated sponge iron production enhances supply chain reliability, lowers raw material dependence, and strengthens cost competitiveness across the steel value chain.

## FY26 Snapshot

**3.05 MTPA**
**Production Capacity**

**84.77%**
**Capacity Utilisation**

**11.50%**
**Contribution to total revenue**



PRODUCT PORTFOLIO

# Billets

## Role in the Value Chain

Billets are essential semi-finished steel products used to manufacture TMT bars, wire rods, structural steel, and other downstream products.

## Our Capabilities

Manufactured through advanced continuous casting technology, our billets support both internal downstream operations and customised customer requirements across domestic and export markets.

## Strategic Advantage

Strong billet manufacturing capabilities provide production flexibility, improve downstream integration, and ensure consistent product quality across our diversified steel portfolio.

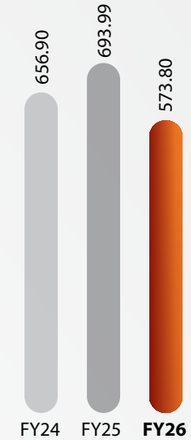
## FY26 Snapshot

**2.01 MTPA**
Production Capacity

**91.00%**
Capacity Utilisation

**3.09%**
Contribution to total revenue



PRODUCT PORTFOLIO

# Long **Products**

## (TMT, WRM and SRM)

### Role in Infrastructure

Engineered for superior strength, durability and performance, the Company's TMT bars, structural steel products and wire rods serve diverse applications across residential, commercial, industrial and infrastructure projects, while supporting downstream sectors such as automotive, engineering, electrical equipment, fasteners, fencing and industrial wire products.

### Our Capabilities

Manufactured using advanced technologies and stringent quality standards, the Company's TMT bars, structural steel products and wire rods deliver superior strength, dimensional accuracy, metallurgical consistency and reliable performance, meeting the diverse requirements of customers across multiple industries and regions.

### Strategic Advantage

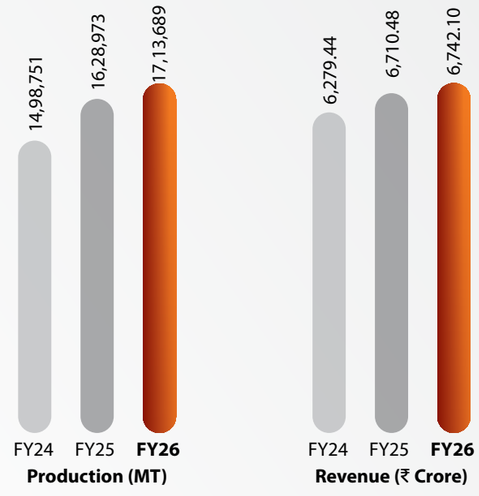
Strong brand recognition, integrated manufacturing capabilities, advanced technology, a diversified product portfolio and a well-established distribution network enable us to deliver consistent quality and dependable solutions while strengthening our presence across India's infrastructure and high-growth industrial sectors.

## FY26 **Snapshot**

**2.07** MTPA
**Production Capacity**

**82.63**%
**Capacity Utilisation**

**36.34**%
**Contribution to total revenue**



PRODUCT PORTFOLIO

# Ferro **Alloys**

## Role in the Value Chain

Ferro alloys are indispensable alloying materials that enhance the strength, durability, hardness, and corrosion resistance of steel, making them critical to high-performance industrial applications.

## Our Capabilities

We manufacture a comprehensive range of ferro chrome, ferro manganese, and silico manganese products, serving both domestic and international markets with customised grades for diverse steelmaking requirements.

## Strategic Advantage

Our integrated production capabilities, diversified export footprint, and consistent metallurgical quality position us as a reliable supplier to global steel manufacturers.

## FY26 Snapshot

**0.22** MTPA
**Production Capacity**

**142.80%**
**Capacity Utilisation**

**11.30%**
**Contribution to total revenue**

PRODUCT PORTFOLIO

# Stainless **Steel**

## Role in the Value Chain

Stainless steel combines strength, corrosion resistance, and recyclability, making it an essential material for infrastructure, engineering, automotive, consumer, and industrial applications.

## Our Capabilities

Our portfolio includes stainless steel wire rods, bright bars, billets, and flat products, manufactured through advanced processing technologies to deliver superior precision, consistency, and performance.

## Strategic Advantage

Continuous investments in downstream processing and speciality stainless products are strengthening our presence in higher-value applications while expanding our customer reach.

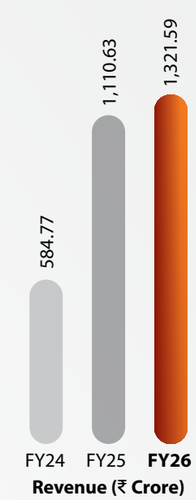
## FY26 Snapshot

**0.27** MTPA
**Production Capacity**

**73.55%**
**Capacity Utilisation**

**7.12%**
**Contribution to total revenue**



PRODUCT PORTFOLIO

# Aluminium **Foil**

## Role in the Value Chain

Aluminium foil is a versatile, lightweight material with exceptional barrier properties, supporting applications across packaging, pharmaceuticals, consumer products, electronics, and next-generation energy storage solutions.

## Our Capabilities

Our state-of-the-art rolling facilities manufacture premium-quality thin foils and industrial laminates while expanding into high-growth segments such as battery-grade foil for electric mobility and advanced energy applications.

## Strategic Advantage

Our strategic focus on value-added aluminium products enables us to participate in fast-growing end-use markets while strengthening product diversification and long-term profitability.

## FY26 Snapshot

**0.024** MTPA

**Production Capacity**

*Capacity restated from 0.04 MTPA to 0.024 MTPA to reflect the production of ultra-thin aluminium foil.

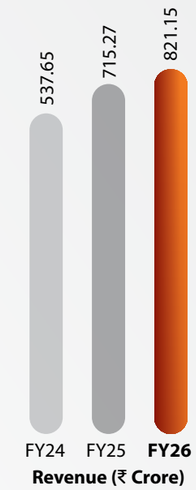
**90.11%**

**Capacity Utilisation**

**4.43%**

**Contribution to total revenue**



PRODUCT PORTFOLIO

# CR **Coils / Sheets**

## Role in the Value Chain

Cold-rolled (CR) coils and sheets are precision-engineered flat steel products offering superior surface finish, dimensional accuracy, and mechanical performance. They serve as critical inputs for automotive, appliances, engineering, infrastructure, solar structures and coated steel applications.

## Our Capabilities

Our state-of-the-art Cold Rolling Mill at Jamuria produces high-quality CR coils and sheets through an integrated process encompassing pickling, cold reduction, annealing, skin passing, and surface finishing, ensuring consistent quality for demanding industrial applications.

## Strategic Advantage

The addition of cold rolling capabilities strengthens our downstream integration, expands our value-added flat product portfolio, and enhances our ability to serve premium industrial segments with differentiated solutions.

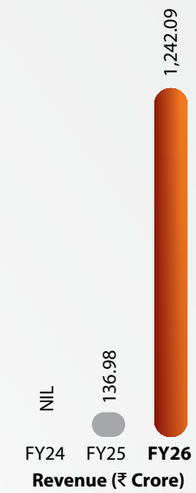
## FY26 Snapshot

**0.25** MTPA
**Production Capacity**

**95.77** %
**Capacity Utilisation**

**6.70** %
**Contribution to total revenue**



PRODUCT PORTFOLIO

# Pig **Iron**

## Role in the Value Chain

Pig iron is a critical intermediate product that serves as a key feedstock for steelmaking, foundries, ductile iron pipes, castings, and engineering components, forming the foundation of numerous downstream industrial applications.

## Our Capabilities

Manufactured through our integrated blast furnace operations, our foundry-grade pig iron delivers superior metallurgical consistency while supporting both captive consumption and external customers across the casting and engineering industries.

## Strategic Advantage

Integrated pig iron production enhances raw material security, strengthens backward integration, optimises production costs, and ensures a reliable supply of high-quality metallic inputs for downstream manufacturing.

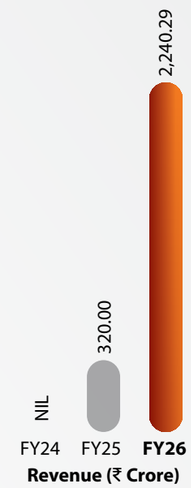
## FY26 Snapshot

**1.22** MTPA
**Production Capacity**

**100.52**%
**Capacity Utilisation**

**12.08**%
**Contribution to total revenue**



## VALUE CREATION MODEL

# Creating **Value Through** Integration

## INPUTS

### MANUFACTURED CAPITAL
Manufacturing facilities – **8**
Metal manufacturing capacity – **16.78** MTPA
Power generation capacity – **467** MW

### FINANCIAL CAPITAL
Net Cash - **₹378** Crore
Net Worth - **₹10,499.60** Crore

### HUMAN CAPITAL
Employees – **20,200**
Employees Trained - **33,780** hours
Investments in Employee Safety and Well-being **₹7.16** Crore

### SOCIAL & RELATIONSHIP CAPITAL
Branding Expenditure - **₹20.99** Crore
CSR Expenditure - **₹21.62** Crore
Number of Shareholders - **1,01,423**

### NATURAL CAPITAL
Water intensity - **0.72** KL/Product
Energy intensity – **27.96** GJ/Product
Scope **1 & 2** emissions reduction roadmap

## HOW WE CREATE VALUE

### INTEGRATED MANUFACTURING
Advanced manufacturing facilities transform raw materials into a diversified portfolio of steel, stainless steel, aluminium and speciality metal products through technology-led operations.

### RAW MATERIAL INTEGRATION
Strategic backward integration across pellets, sponge iron, ferro alloys, and iron-making strengthens raw material security, improves quality consistency and enhances operating margins.

### POWER INTEGRATION
We maximise energy security and cost competitiveness through captive power generation, meeting over 80% of our power requirements through waste-heat recovery and renewable energy sources. This lowers production costs while ensuring uninterrupted operations.

### INTEGRATED LOGISTICS
Captive railway sidings, dedicated rakes and strategically located facilities near mineral belts, ports and highways reduce freight costs and improve supply chain responsiveness.

### FORWARD INTEGRATION
Expansion into CR coils & sheets, SBQ steel, stainless steel wires & bright bars, railway wagons, and battery foils enhances value addition, diversifies revenue streams and strengthens profitability.

### ALUMINIUM VALUE CHAIN INTEGRATION
Captive foil stock production and aluminium flat products strengthen self-reliance, reduce raw material volatility and enable expansion into high-value applications, including battery foils.

## SUPPORTED BY

### OPERATIONAL EXCELLENCE
Digitalisation, process optimisation, automation, disciplined capital allocation and continuous innovation improve productivity, maximise asset utilisation and strengthen sustainable value creation across the business.

### FOCUS
- Multiple Sales Points Across the Value Chain
- Greater Control on Operating Margins
- Flexibility to Alter Product Mix
- Focus on Quality

### SUSTAINED EXPANSION
- Foray into Newer Segments
- Increase Backward Integration

### CURRENT PORTFOLIO
- Intermediates
- Ferro Alloys
- Finished Steel
- CR Coils/Sheets
- Stainless Steel
- Aluminium Foil

### DOWNSTREAM PRODUCTS
- Hot Flat Products
- CRM Stainless
- Parallel Flange Beam
- Stainless Steel
- Steel Wire Drawing
- SBQ
- Railway Wagons

## OUTPUT

### MANUFACTURED CAPITAL
Metal sales volumes – **4.94** Million Tonnes

### FINANCIAL CAPITAL
Revenue - **₹18,552.21** Crore
Operating EBITDA - **₹2,333.14** Crore
PAT - **₹1,060.17** Crore
EPS - **₹38.10**

### HUMAN CAPITAL
LTIFR - **1.6**
Revenue per employee - **₹1.39** Crore

### SOCIAL & RELATIONSHIP CAPITAL
Lives benefited – **2,53,880**
Dividend per share – **₹4.50**
Sourcing from MSMEs / Small Producers - **6.31**%

### NATURAL CAPITAL
Renewable Energy usage - **18.50**%
Trees Planted - **1,00,000** plus

## SDGs Aligned

MANUFACTURED CAPITAL

FINANCIAL CAPITAL

HUMAN CAPITAL

SOCIAL & RELATIONSHIP CAPITAL

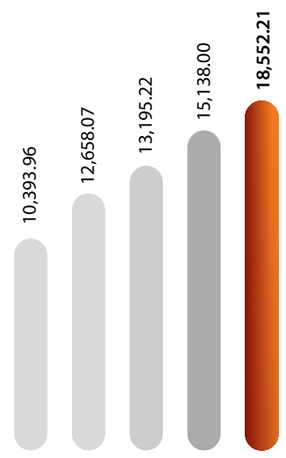
NATURAL CAPITAL

## KEY PERFORMANCE INDICATORS

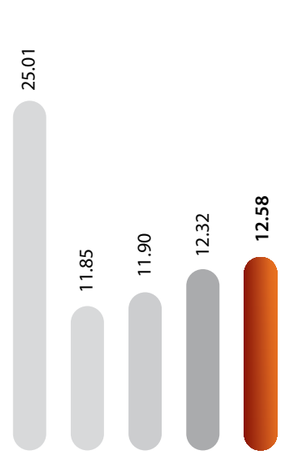
# The **Numbers** Behind Our **Growth**

We expand capacity the way we have always expanded capacity. Fund it from within. Commission it on time. Push utilisation higher. Let fixed costs be absorbed over a larger production volume. The result: stronger output, stronger margins, stronger cash generation, cycle after cycle.

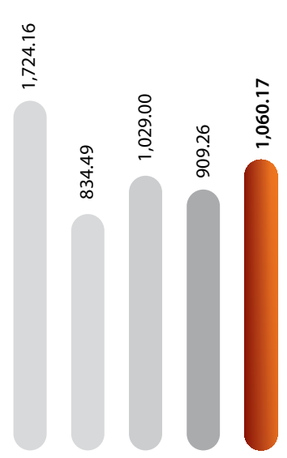
Our balance sheet carries the proof. Conservative leverage. Net cash positive. Free cash flows funding the next phase of growth before it begins. Financial resilience and operational ambition, compounding together.



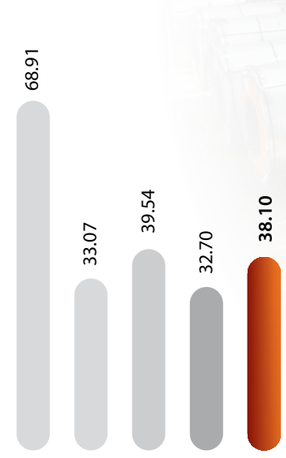

**Revenue from Operations (₹ Crore)**



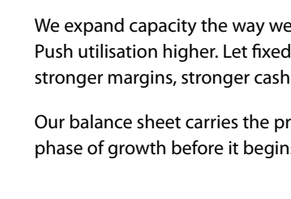

**Operating EBITDA Margin (%)**



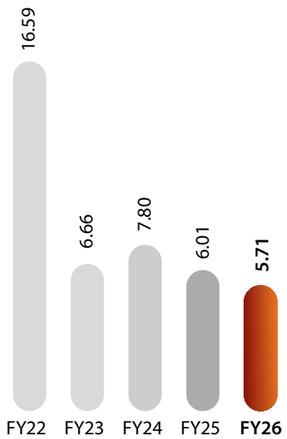

**Profit After Tax (₹ Crore)**



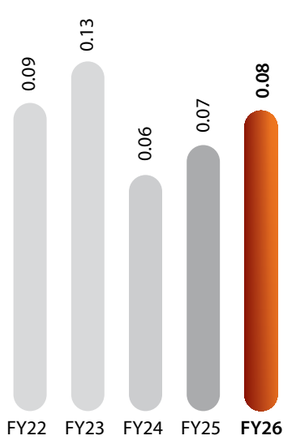

**Basic EPS (₹)**



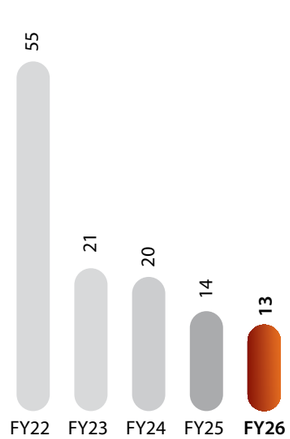

**Return on Average Capital Employed (%)**



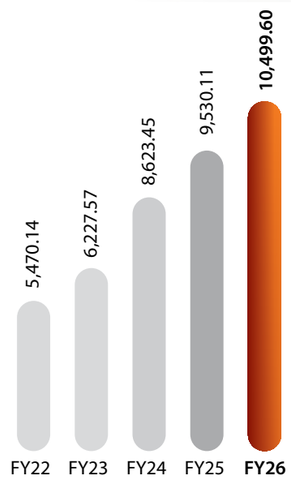

**PAT Margin (%)**



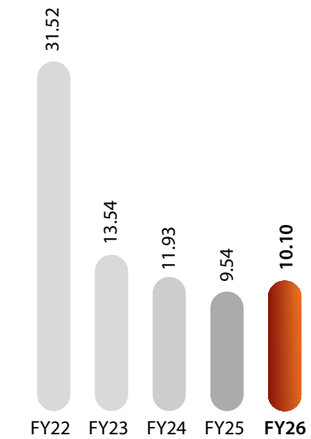

**Debt-Equity Ratio (times)**




**Return on Equity (ROE) (%)**




**Net Worth (₹ Crore)**




**Return on Net Worth (%)**

QUALITY ASSURANCE

# Assuring **Quality Across** the Value Chain

In an integrated manufacturing model, quality is cumulative. Every stage of the value chain either strengthens or compromises the final product. At Shyam Metalics, quality governance begins at raw material qualification and travels unbroken through smelting, processing, finishing, testing, packaging and dispatch. The integrated ownership of this chain gives us complete visibility and control from ore to finished product.

## End-to-End Process Governance

Every facility operates under ISO 9001:2015-certified systems, supported by in-house laboratories, automated process controls and real-time digital monitoring. Quality checkpoints are embedded at each production stage with structured hold-and-release protocols. Batch-wise documentation ensures full traceability: every product batch carries a unique lot number, enabling accountability from raw material entry to final dispatch. This governance extends across product categories and manufacturing complexities, from sponge iron and ferro alloy production to HR coils, aluminium foil and stainless steel processing.

## R&D Integration

Our R&D team works alongside plant operations to translate material science into production-ready applications. Collaboration with academic institutions and process metallurgists has delivered measurable improvements in sponge iron chemistry, billet precision and corrosion-resistant TMT formulations. In-house pilot trials precede every full-scale rollout, enabling refinement of alloy composition and process parameters before commercial deployment. This approach has enabled us to manufacture demanding grades, including Fe 415 and Fe 500D, in compliance with IS 1786:2008 across our steel portfolio, while simultaneously developing battery-grade aluminium foil where tolerances are measured in microns.

## Laboratory Infrastructure

Each major facility houses fully functional quality laboratories equipped with spectrometers, Universal Testing Machines and hardness testers. Batch-wise testing covers yield stress, elongation, bend characteristics, thermal uniformity and bonding integrity. Visual and microstructural inspections verify metallurgical consistency across production runs. Our products carry BIS certifications (IS 1786, IS 2830) and undergo third-party inspection for customer-specific and export requirements. These certifications reflect our standardisation and credibility across end-use markets and geographies.

## Quality Culture

Structured training programmes, including GET, DET and MT tracks, embed quality awareness into daily routines across all facilities. Plant-specific SOPs and automation standardise actions across shifts and locations. Recognition programmes at facilities such as the Pakuria aluminium foil unit reinforce ownership among operators, technicians and line supervisors.

Digital interventions strengthen this culture. IoT sensors, ERP-backed data analytics and predictive maintenance models identify potential deviations before they materialise. These systems improve first-pass yield and make quality a continuous outcome embedded in the manufacturing process itself.

## **Strengthening** the Quality **Benchmark**

1. **Maintained compliance with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, BIS IS 1786, BIS IS 14650, IS 7887, IS 2062 and ASI certifications, ensuring continued audit readiness.**
2. **Reduced customer quality complaints by 45% through tighter dimensional control and enhanced surface quality monitoring.**
3. **Strengthened quality assurance through comprehensive in-process and final inspections, including chemical analysis, tensile, bend and re-bend testing for every production batch.**
4. **Successfully validated and commercialised new CRS TMT grades, including Fe 550D and seismic-grade products, expanding the value-added product portfolio.**
5. **Enhanced billet quality screening and strengthened supplier quality agreements, enabling 96% of Steel Melting Shop (SMS) production to be accepted at first inspection and converted into finished products.**

## RESEARCH AND DEVELOPMENT

# Innovation at the Core

At Shyam Metalics, innovation serves a specific purpose: to convert an integrated manufacturing platform into a progressively higher-value enterprise. Every R&D initiative is tested against a single question — does it improve product quality, reduce process costs or open a new market? If the answer is yes, we pilot. If the pilot validates, we scale.

### Product Innovation

Our R&D efforts have expanded the Company's product capability well beyond conventional steel grades. In our core TMT bar portfolio, the SEL Tiger and Gopala brands are manufactured using German Thermex® technology, delivering high tensile strength, ductility, corrosion resistance and seismic resilience for construction and infrastructure applications 12-20-micron range.

Billet production uses Concast AG Zurich technology, ensuring surface integrity, zero surface cracks and IS-standard dimensional accuracy. Our ferro alloys are custom formulated to meet the precise mechanical specifications of steel producers across multiple grades.

The most significant product innovation of recent years is the development of battery-grade aluminium foils in the 12 to 20 micron range for lithium-ion battery applications. This positions the Company at the intersection of advanced manufacturing and India's energy storage ecosystem, a market with structural long-term demand.

### Process Innovation

We embed automation, robotics and Industry 4.0 capabilities into our manufacturing operations to drive consistency, throughput and resource efficiency. IoT sensors, cloud analytics and real-time monitoring systems enable our teams to track inputs, process parameters and output quality across production lines. ERP-backed data analytics and predictive maintenance models identify potential deviations early, reducing rework and improving first-pass yield.

At the Jamuria facility, an 18 MW Top Gas Pressure Recovery Turbine enhances energy recovery from blast furnace operations, improving energy efficiency by 10%. A new cooling system at the same facility has reduced water and electricity consumption by 20% while enabling zero water discharge.

### From Pilot to Scale

Every new technology, alloy and manufacturing process undergoes pilot validation before deployment. Performance is evaluated against defined KPIs: energy use, product quality, yield and cost. Only after validation is a process rolled out in phases across our manufacturing network. This structured approach — pilot, validate, refine, scale — has governed every major technology adoption in the Company's history. It minimises execution risk while accelerating learning across facilities.

### Technology Partnerships

Our innovation capability is strengthened through collaborations with globally recognised technology leaders and academic institutions.

**Danieli (Italy)** — Rolling mill technology for the stainless steel unit delivering precision across long and flat product lines.

**Achenbach (Germany)** — Aluminium foil manufacturing technology to the tolerances required for battery-grade applications.

**Thermex® (Germany)** — TMT bar production technology combining strength, ductility and seismic performance.

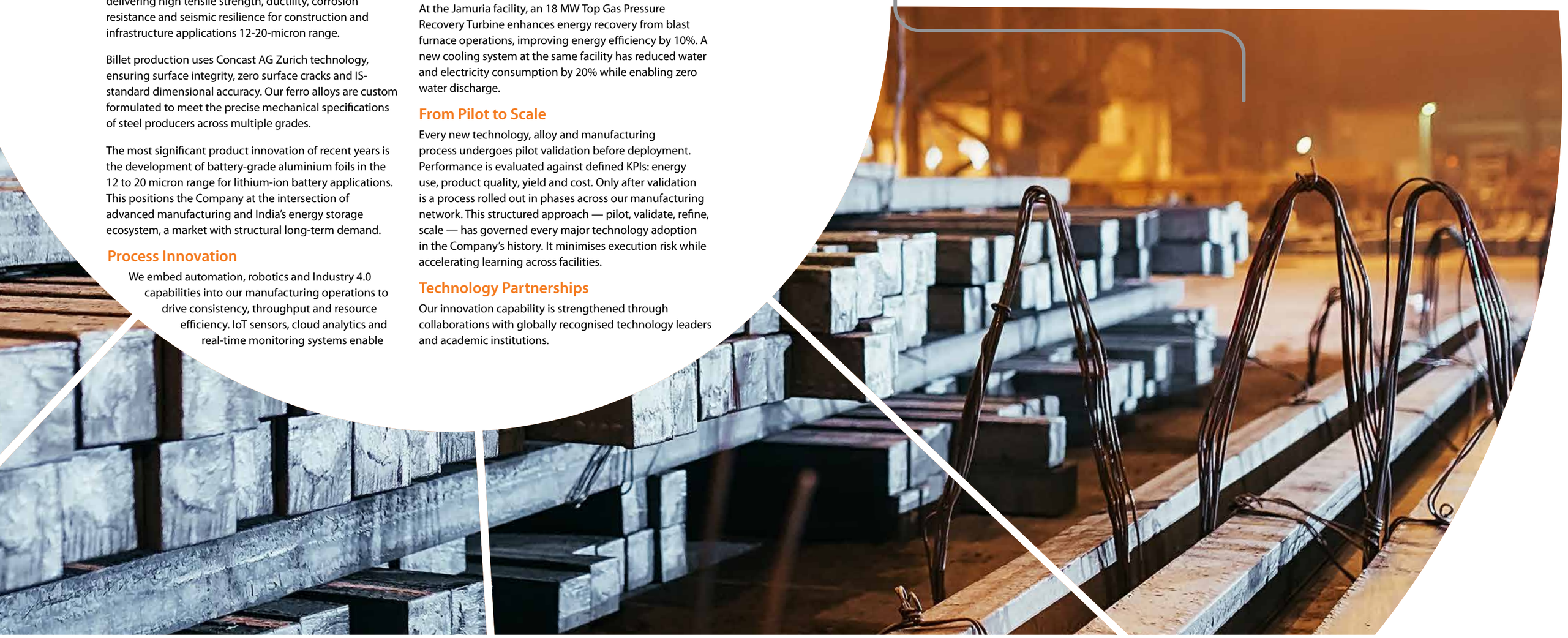
**Concast AG (Switzerland)** — Billet casting technology ensuring surface integrity and dimensional accuracy.

**Siemens** — Digitisation and process automation across manufacturing operations.

**Tata Steel** — Joint R&D initiative focused on metallurgical innovation.

**Thermax / BHEL** — Captive power and energy recovery technology.

Each partnership was chosen for a defined capability outcome. Each is measured against that outcome.



BRANDING

# Building **Brands** for the **Future**

An integrated manufacturer earns trust at the factory gate through quality and consistency. It builds preference in the market through branding, engagement and visibility. At Shyam Metalics, both capabilities operate as a single system. Our brand strategy translates manufacturing strength into customer confidence, dealer loyalty and market leadership across product categories and geographies.

## Brand Architecture

Our brand operates on two levels. Shyam Metalics is the corporate brand, representing the integrated manufacturing enterprise, its governance, its financial strength and its institutional reputation. SEL Tiger is the customer-facing brand, carrying our products to market under a unified identity built on strength, reliability and consistent performance.

This two-tier architecture enables us to build corporate credibility with investors, lenders and regulators while simultaneously building product preference with engineers, architects, contractors, developers, channel partners and end consumers.

## SEL Tiger: Strength Behind Tomorrow

SEL Tiger is the flagship brand through which our products reach the market. The portfolio today spans eight product categories under a single brand promise: Built on Strength. Driven by Trust.

| TMT Bars | Structural Steel | Wire Rods | Roofing Sheets |
|---|---|---|---|
| Construction and infrastructure | Industrial and commercial applications | Engineering and fabrication | Four sub-brands: Royale, Elite, Azure and Alfa |

| Stainless Steel Rebar | Stainless Steel Wire | Crash Barriers | Aluminium Foil |
|---|---|---|---|
| Corrosion-resistant infrastructure | Engineering and industrial | Road safety infrastructure | Packaging, defence and industrial |

These products serve highways, bridges, metro networks, airports, industrial corridors, manufacturing facilities, warehouses, residential housing, commercial developments, healthcare infrastructure, automotive applications and road safety projects.

SEL TIGER

## How We Build Preference

Our brand strategy operates across seven pillars:

**Consumer awareness.** Mass media campaigns across television, print, outdoor and digital platforms drive large-scale brand recognition.

**Channel partner confidence.** Dealer and distributor engagement programmes, retail branding and training initiatives strengthen the trade network.

**Technical community engagement.** Interactions with engineers, architects, contractors and project consultants build specification-level preference.

**Digital presence.** Our ecosystem spans the corporate website, LinkedIn, Instagram, Facebook and YouTube, supported by performance marketing, content creation and video storytelling.

**Retail visibility.** Branded dealer outlets, point-of-sale communication and in-market activation create a distinctive physical presence.

**Market expansion.** Targeted outreach into emerging markets and semi-urban India extends the brand footprint.

**Corporate reputation.** Leadership communication, investor engagement, public relations and industry participation reinforce institutional credibility.

## Brand in **Numbers**

**15,000+**
Dealers, Distributors and other Channel Partners Network Across India

**8**
Product categories under SEL Tiger

**4**
Roofing sub-brands (Royale, Elite, Azure & Alfa)

**₹ 21 Crore**
Brand and marketing investment in FY26

**2,95,000**
Followers on Social Media Platforms

**109%**
Growth in digital engagement YoY

**200+**
Trade shows, exhibitions and customer events conducted

# Growing with **Purpose**

**ESG integration strengthens governance, operational resilience and long-term sustainability**

| 50 | 55 | 60 | 63.7 |
|---|---|---|---|
| Crisil ESG Ratings & Analytics | NSE Sustainability Ratings & Analytics | CFC | SES Stakeholders Empowerment Services (Analyze » Educate » Empower) |
| 15-09-2025 | 08-01-2026 | 17-01-2026 | 13-02-2026 |

At Shyam Metalics, sustainability is the way we operate, invest and create long-term value. Our integrated manufacturing model enables us to balance business growth with responsible environmental stewardship, employee well-being, ethical governance and meaningful stakeholder engagement.

As we continue our transformation into a diversified, value-added metals company, ESG principles remain central to every strategic decision—from expanding renewable energy and improving resource efficiency to strengthening workplace safety, fostering inclusive growth and upholding the highest standards of corporate governance.

## Our ESG Scorecard

| Category | Metric | Description |
|---|---|---|
| **Power** | 782 MW | Captive Power (Post Expansion) |
| | 45.65% | Reduction in Electricity Usage |
| **Water** | ZLD | Zero Liquid Discharge & Extensive Water Recycling |
| | 100% | Water Reused |
| **Sun** | 1,00,000+ | Trees Planted |
| | 20.43 MWp | Solar Systems |
| | 63.98 MW | Installed Solar Capacity |
| | 6,27,96,611 GJ | Renewable Energy |
| | GREEN | Mobility Through EV Integration |
| **Wind** | 35,000+ Tonnes | $CO_2$ Emissions Avoided Annually |
| | 95,000+ | Lives Benefited |
| | 105 MW | Renewable Power Plant (Solar and Wind) |

# Our **Environment** Commitment

At Shyam Metalics, we view environmental stewardship as a strategic responsibility that shapes the way we operate, innovate and grow. Our integrated manufacturing model is built on the principles of resource efficiency, cleaner production and responsible environmental management. By continuously investing in advanced technologies, energy-efficient processes and circular manufacturing practices, we strive to reduce our environmental footprint while creating long-term value for all our stakeholders.

## Powering Sustainable Manufacturing

Energy efficiency is fundamental to the way we operate. We continuously strengthen our manufacturing ecosystem through technology-led initiatives that optimise energy consumption while improving operational performance. Our research and development efforts prioritise energy management through waste heat recovery, smart manufacturing and process optimisation, enabling us to reduce energy intensity while enhancing productivity. By integrating automation, digital manufacturing and advanced process controls, we are building a manufacturing platform that is both operationally efficient and environmentally responsible.

## Driving Low-Carbon Manufacturing

Reducing our greenhouse gas emissions remains a strategic priority. We have established a comprehensive greenhouse gas accounting framework aligned with the European Union's Carbon Border Adjustment Mechanism (CBAM), enabling transparent measurement and reporting of embedded emissions across our manufacturing operations. Our emission assessments follow internationally recognised methodologies based on carbon mass balance principles, verified electricity emission factors and transparent allocation mechanisms, ensuring credibility, consistency and alignment with evolving global climate regulations.

Further reinforcing our commitment to environmental transparency, our embedded greenhouse gas emissions have been independently verified in accordance with ISO 14064-3:2019 under the CBAM framework. This external validation demonstrates our readiness to meet international sustainability expectations while strengthening stakeholder confidence in our environmental disclosures.

## Advancing Circular Resource Utilisation

We believe that sustainable manufacturing begins with making the most of every resource. Our R&D initiatives focus on material efficiency, recycling, process optimisation and waste heat recovery to minimise resource consumption while maximising manufacturing performance. Through continuous innovation, we integrate circular economy principles into our operations by improving material utilisation, reducing production losses and promoting green manufacturing practices across our facilities.

## Leveraging Technology for Environmental Excellence

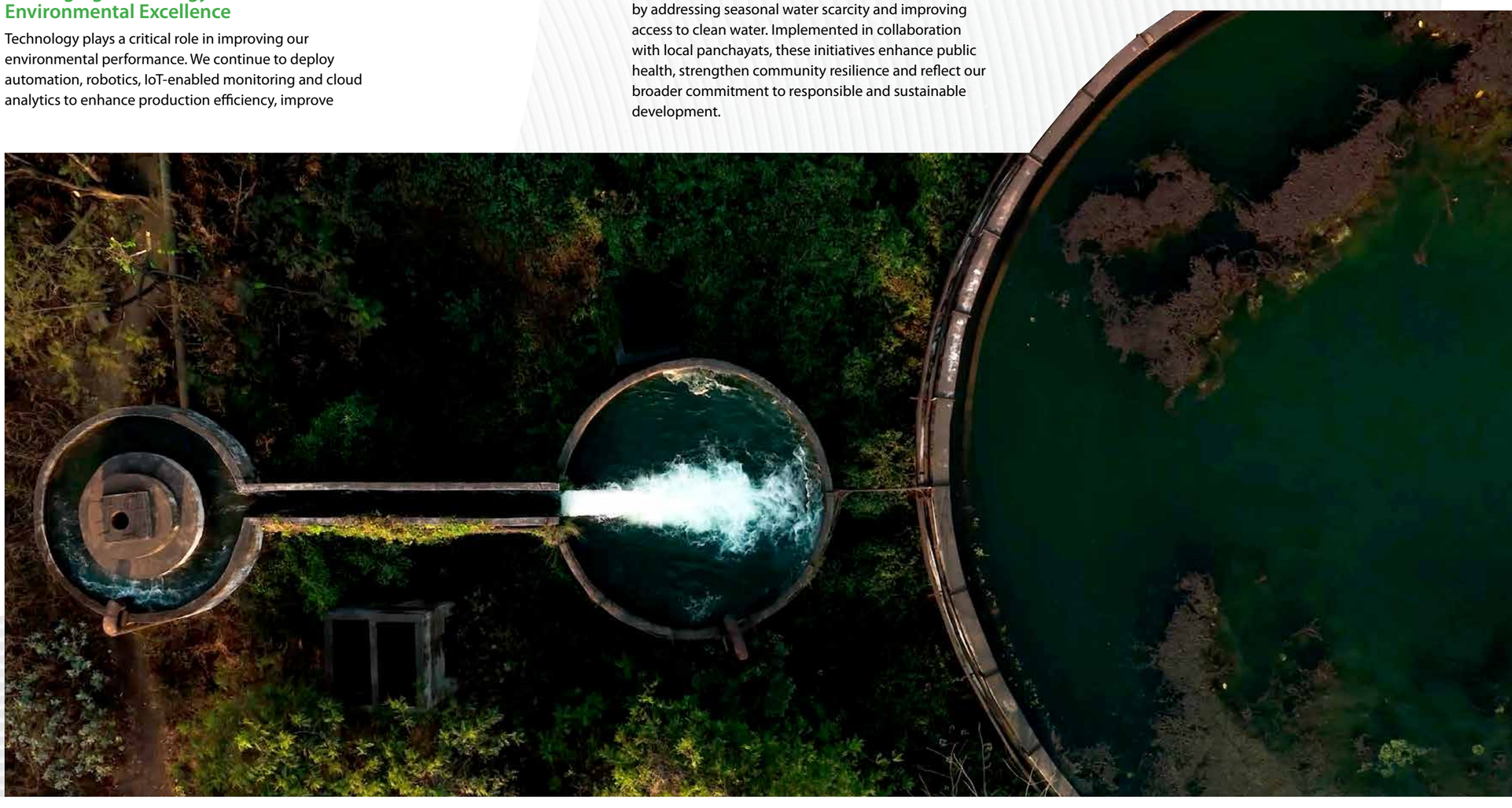
Technology plays a critical role in improving our environmental performance. We continue to deploy automation, robotics, IoT-enabled monitoring and cloud analytics to enhance production efficiency, improve yield, reduce rework and optimise resource utilisation. These smart manufacturing initiatives not only strengthen operational excellence but also contribute towards lower energy consumption and a reduced environmental footprint across our manufacturing ecosystem.

## Strengthening Water and Community Resilience

Our commitment to sustainability extends beyond our manufacturing operations into the communities we serve. Through our safe drinking water initiatives, we support villages surrounding our operational locations by addressing seasonal water scarcity and improving access to clean water. Implemented in collaboration with local panchayats, these initiatives enhance public health, strengthen community resilience and reflect our broader commitment to responsible and sustainable development.

## Building a Sustainable Future

Environmental responsibility continues to shape our long-term growth strategy. By advancing green technologies, improving manufacturing efficiency, strengthening material recycling, adopting smart manufacturing systems and maintaining globally aligned emissions reporting practices, we are building a future-ready manufacturing platform. As we continue our growth journey, we remain committed to creating long-term value while balancing industrial progress with environmental stewardship and responsible resource management.



# Our **Social** Commitment

## Powering Growth Through People

Our people are the driving force behind our continued growth and transformation. As we evolve into a diversified, value-added metals company, we remain committed to creating a workplace where talent is nurtured, performance is recognised, and every individual is empowered to contribute meaningfully. Through continuous learning, inclusive practices, employee well-being, and a performance-oriented culture, we are building a future-ready workforce capable of delivering sustained operational excellence.

### Employee Engagement

Building an engaged workforce begins with creating an environment where people feel connected, respected, and inspired. We continue to strengthen employee engagement through structured communication forums, leadership interactions, recognition programmes, and collaborative workplace initiatives that encourage open dialogue and knowledge sharing across all levels of the organisation.

The recognition of Shyam Metalics as a Great Place to Work® (February 2025–February 2026) reflects our commitment to fostering a high-trust, high-performance culture where employees are empowered to grow both professionally and personally.

### Learning & Capability Development

Continuous learning remains integral to our growth strategy. Structured technical training, leadership development programmes, functional capability enhancement, and shop-floor learning initiatives enable our employees to strengthen their technical expertise while adapting to evolving manufacturing technologies.

As we continue to expand into speciality steels, stainless steel, aluminium, and advanced downstream products, our focus on developing specialised metallurgical and engineering capabilities has become increasingly important. The addition of experienced industry leaders with deep domain expertise further strengthens our technical knowledge ecosystem while accelerating organisational capability.

Beyond our own workforce, we continue to support skill development within surrounding communities through vocational training, digital literacy programmes, entrepreneurship initiatives, and educational scholarships that contribute to long-term socio-economic development.

### Performance-Driven Growth

Our performance-driven culture encourages accountability, innovation, and operational excellence. Clearly defined performance metrics, transparent appraisal systems, productivity-linked incentives, and merit-based career progression create an environment where individual contributions directly support organisational success.

This disciplined approach has enabled us to execute large-scale expansion projects efficiently while supporting the Company's rapid growth trajectory, creating meaningful opportunities for employees to build rewarding careers within a high-growth organisation.

### Employee Experience & Well-being

Employee well-being remains central to our people philosophy. We continue to invest in creating a healthy, safe, and supportive work environment through preventive healthcare programmes, medical insurance, wellness initiatives, flexible leave policies, and regular health awareness campaigns.

The inauguration of our new integrated corporate office at Taratala, Kolkata, reflects our commitment to providing a modern workplace designed around employee comfort, collaboration, natural lighting, and sustainable infrastructure, creating an environment that promotes productivity and overall well-being.

### Inclusion & Workplace Culture

We believe that diversity of thought strengthens innovation and organisational resilience. Our recruitment strategy focuses on attracting young talent while creating equal opportunities for learning, career progression, and leadership development across the organisation.

An inclusive workplace culture, supported by mentorship, structured onboarding, cross-functional collaboration, and continuous engagement, enables employees from diverse backgrounds to contribute effectively while reinforcing a shared culture of respect, integrity, and excellence.

### Transparency & Ethical Workplace

We promote a workplace founded on trust, accountability, and ethical conduct. Structured grievance redressal mechanisms, whistle-blower channels, Code of Conduct frameworks, POSH and regular employee feedback platforms encourage open communication and timely resolution of concerns while reinforcing fairness and transparency across the organisation.

### Building Human Capital for Tomorrow

As our business continues to scale, we remain committed to investing in our people as our most valuable asset. By strengthening technical capabilities, nurturing future leaders, promoting employee well-being, and fostering an inclusive, performance-led culture, we are building a resilient organisation equipped to lead the next phase of Shyam Metalics' growth journey.

**20,300**

**EMPLOYEES**

Great Place To Work® Certified 2026 INDIA ™

# Creating Impact Beyond Business

At Shyam Metalics, we believe that sustainable business growth is meaningful only when it creates lasting value for the communities around us. Through the Shyam Metalics Foundation, we continue to invest in initiatives that improve quality of life, create opportunities and strengthen community resilience. Guided by our philosophy of inclusive growth, our CSR initiatives are centred around healthcare, education, skill development, sports, environmental stewardship and rural infrastructure. During FY26, we invested ₹21.62 Crore towards community development initiatives, positively impacting thousands of lives across our operating regions.

## Healthcare & Well-being

Under our Sehat initiative, we continue to strengthen healthcare accessibility for communities surrounding our manufacturing locations through preventive and primary healthcare services. Our mobile medical vans provide essential healthcare across villages around Jamuria, while dedicated health centres and homeopathy clinics deliver regular medical consultation and treatment. Annual health and eye screening camps, blood donation drives, free medicine distribution, ambulance services and access to safe drinking water further reinforce our commitment to improving community well-being.

## Education & Digital Empowerment

Education remains one of the strongest enablers of long-term social progress. Through the UDAY Project, we promote digital literacy by operating computer training centres for rural youth, equipping them with skills required in an increasingly digital world. The SHYAM Scholarship programme continues to support meritorious students from economically weaker sections in pursuing higher education, while free coaching centres provide academic assistance to children within nearby communities.

## Skill Development & Livelihood Creation

We continue to empower individuals through vocational training programmes that promote entrepreneurship and self-reliance. Under the KALP VRIKSHA Project, community members—particularly women—receive training in sewing, jute handicrafts and mushroom cultivation, enabling them to build sustainable sources of income. Enterprise development initiatives and support for local handicrafts further contribute to strengthening rural livelihoods and economic inclusion.

## Sports & Youth Development

Our Shyam Metalics Football Academy (SMFA) continues to nurture aspiring footballers through professional coaching, residential facilities and full scholarships. Alongside developing sporting talent, we also support community playgrounds and distribute sports equipment to encourage wider participation in sports and youth development.

## Community Infrastructure & Environmental Stewardship

Our community development initiatives extend beyond social welfare to creating resilient and environmentally responsible communities. We continue to improve local infrastructure through water conservation projects, including check dams and pond rejuvenation, while promoting organic farming and installing solar-powered irrigation systems to strengthen sustainable agriculture.

The Foundation also supports the installation of solar street lighting, greenbelt development, village sanitation, temple restoration and animal welfare initiatives. During the year, the development of the RR Colony at Jamuria marked another significant milestone in providing dignified rehabilitation and improved living conditions for the Chawkidanga community.

**₹21.62 Crore**
CSR Outlay

**95,000**
Free OPD Visits Annually

**38,397**
Residents Provided Safe Drinking Water

**21**
Schools Supported

**100+**
Employee Volunteers at the Blood-Donation Camp at the Jamuria Plant

**6**
Ponds Revitalised

**1,00,000+**
Cattle Supported

**5,000**
Meals Served Daily

# Governance Excellence

Our governance framework is designed to create long-term value by balancing entrepreneurial agility with disciplined oversight. Anchored in transparency, accountability and ethical leadership, it enables informed decision-making, effective risk management and responsible capital allocation across the organisation.

Supported by an independent Board, specialised committees and a comprehensive governance architecture, we uphold the highest standards of corporate conduct while ensuring compliance with evolving regulatory expectations. This governance-led approach strengthens stakeholder confidence, reinforces operational resilience and supports the Company's journey towards sustainable and responsible growth.

## Governance Policies

Our governance policies establish a consistent framework for ethical business conduct, regulatory compliance and sound corporate governance. Together, they strengthen internal controls, safeguard stakeholder interests, promote responsible decision-making and reinforce a culture of integrity across the organisation.

- Whistle Blower Policy
- Nomination and Remuneration Policy
- Risk Management Policy
- Human Rights Policy
- Familiarisation Programme
- Code of Conduct
- Grievance Redressal Policy
- Anti-Sexual Harassment Policy
- Dividend Distribution Policy
- Board Diversity Policy
- Data Protection Policy
- Business Responsibility and Sustainability Policy
- Corporate Social Responsibility Policy
- Archival Policy
- Related Party Transaction Policy
- Anti-Corruption and Anti -Bribery Policy

**57**
**Average Age of Directors**

**82.50%**
**Average Attendance at Board Meeting**

**1**
**Woman Director Out of 11 Directors**

BOARD OF DIRECTORS

# Our **Eminent** Board

**MAHABIR PRASAD AGARWAL**
***Chairman Emeritus***

Mr. Mahabir Prasad Agarwal laid the foundation of Shyam Metalics with a singular vision—to build a self-reliant, integrated metals enterprise driven by operational excellence, integrity and long-term value creation. Over more than five decades, his entrepreneurial leadership transformed the Company from a regional steel manufacturer into one of India's leading integrated metal producers. As Chairman Emeritus, he continues to provide strategic guidance, preserving the values and culture that have shaped the Company's enduring success while supporting the next generation of leadership in steering Shyam Metalics towards its future growth ambitions.

**BRIJ BHUSHAN AGARWAL**
***Chairman & Managing Director***

Mr. Brij Bhushan Agarwal is spearheading the Company's transition from a traditional steel manufacturer into a diversified, value-added metals and materials enterprise. Under his leadership, Shyam Metalics continues to accelerate downstream integration, expand into high-growth segments, strengthen global competitiveness and build a future-ready manufacturing ecosystem. His strategic focus on innovation, operational excellence, capital discipline and sustainable growth continues to strengthen the Company's position across domestic and international markets while creating long-term value for all stakeholders.

**SANJAY KUMAR AGARWAL**
***Joint Managing Director***

Mr. Sanjay Kumar Agarwal leads the Company's integrated manufacturing operations with a strong focus on productivity, efficiency and execution excellence. He has played a pivotal role in strengthening Shyam Metalics' operational backbone by driving capacity expansion, process optimisation, cost leadership and manufacturing integration across multiple facilities. His emphasis on operational discipline, technology adoption and resource efficiency continues to enhance manufacturing competitiveness while supporting the Company's long-term growth strategy.

**SHEETIJ AGARWAL**
***Whole-time Director***

Mr. Sheetij Agarwal plays a key role in strengthening Shyam Metalics' market presence across domestic and international geographies. He is actively involved in shaping the Company's commercial strategy, identifying emerging opportunities, building strategic partnerships and expanding its value-added product portfolio.
His customer-centric approach and deep understanding of evolving market dynamics continue to support the Company's growth across multiple sectors and global markets.

**DEEPAK AGARWAL**
***Whole-time Director & Chief Financial Officer***

Mr. Deepak Agarwal leads the Company's financial strategy with a disciplined approach towards capital allocation, liquidity management and sustainable value creation. He has been instrumental in maintaining a robust balance sheet, funding growth through internal accruals and strengthening financial resilience while supporting large-scale expansion initiatives. His focus on prudent financial governance, capital productivity and shareholder value continues to provide a strong financial foundation for the Company's long-term strategic ambitions.

**DEV KUMAR TIWARI**
***Whole-time Director***

Mr. Dev Kumar Tiwari oversees manufacturing operations with a strong emphasis on execution, governance, safety and operational efficiency. He is responsible for driving seamless plant operations while ensuring consistent product quality, process reliability and effective project execution. With extensive industry experience, he continues to strengthen the Company's operational capabilities through disciplined execution, cross-functional collaboration and continuous improvement initiatives.

**KISHAN GOPAL BALDWA**
***Independent Director***

Mr. Kishan Gopal Baldwa brings extensive expertise in financial management, accounting standards and corporate governance to the Board. His deep understanding of financial reporting, regulatory compliance and risk oversight supports robust governance practices while strengthening transparency, accountability and shareholder confidence. His guidance contributes significantly to prudent financial stewardship and sustainable value creation.

**SUBRATA BHATTACHARYA**
***Independent Director***

Mr. Subrata Bhattacharya is a distinguished metallurgist and accomplished corporate leader with over 39 years of experience in the steel and stainless steel industry. He holds a B.Tech. in Metallurgical Engineering and an M.Tech. in Extractive Metallurgy from the National Institute of Technology (NIT), Durgapur.

**SHASHI KUMAR**
***Independent Director***

Mr. Shashi Kumar contributes decades of leadership experience across India's mining and natural resources sectors. His expertise in mining operations, resource management and large-scale industrial enterprises provides valuable strategic guidance on raw material security, operational excellence and long-term business sustainability.

**RAJNI MISHRA**
***Independent Director***

Ms. Rajni Mishra strengthens the Board through her expertise in corporate governance, compliance and company law. Her presence reinforces the Company's commitment to diversity, ethical business practices and transparent decision-making while bringing an independent perspective to Board deliberations and stakeholder interests.

**NAND GOPAL KHAITAN**
***Independent Director***

Mr. Nand Gopal Khaitan brings distinguished legal expertise and extensive experience in corporate advisory, governance and regulatory matters. His strategic counsel strengthens the Company's legal framework, enhances governance standards and supports effective risk management across evolving business and regulatory environments.

**CHANDRA SHEKHAR VERMA**
***Independent Director***

Mr. Chandra Shekhar Verma contributes over four decades of leadership experience across India's public sector and metals industry. His deep understanding of large-scale manufacturing, business transformation and strategic growth provides valuable direction to the Company's long-term expansion, operational excellence and sustainable value creation.

# Corporate **Information**

## CHAIRMAN EMERITUS

**MR. MAHABIR PRASAD AGARWAL**
(Honorary Position w.e.f. May 10, 2025)

## BOARD OF DIRECTORS

**MR. BRIJ BHUSHAN AGARWAL**
Chairman & Managing Director
(Appointed as Chairman w.e.f. 10th May, 2025)

**MR. SANJAY KUMAR AGARWAL**
Joint Managing Director

**MR. SHEETIJ AGARWAL**
Whole-time Director

**MR. DEEPAK AGARWAL**
Whole-time Director & CFO

**MR. DEV KUMAR TIWARI**
Whole-time Director

**MR. KISHAN GOPAL BALDWA**
Independent Director

**MR. NAND GOPAL KHAITAN**
Independent Director

**MR. MALAY KUMAR DE**
(Resigned w.e.f. May 20, 2025)
Independent Director

**MR. SHASHI KUMAR**
Independent Director

**MS. RAJNI MISHRA**
Independent Director

**MR. CHANDRA SHEKHAR VERMA**
Independent Director

**MR. SUBRATA BHATTACHARYA**
Independent Director
(Appointed w.e.f. February 1, 2026)

## CHIEF FINANCIAL OFFICER

**MR. DEEPAK AGARWAL**

## COMPANY SECRETARY

**MR. BIRENDRA KUMAR JAIN**

## STATUTORY AUDITORS

**M/s M S K A & Associates Chartered Accountants**
Floor 4, Duckback House
41, Shakespeare Sarani
Kolkata - 700017, India

## SECRETARIAL AUDITORS

**M/s. MKB & Associates Practising Company Secretary**
Shantiniketan Building,
5th Floor, Room No. 515,
8 Camac Street,
Kolkata - 700017

## COST AUDITORS

**M/s. BSS & Associates**
(Cost Accountants)
NI/A-22, 1st Floor, IRC
Village, Nayapalli,
Bhubaneswar - 751015

## INTERNAL AUDITORS

**M/s. Ernst & Young (E&Y) LLP**
22, Camac Street,
3rd Floor, Block 'C'
Kolkata 700016

## REGISTERED & HEAD OFFICE

P-19, Plate No: D-403
CPT Colony, Taratala Road
Kolkata – 700088, West Bengal
Tel No.: 033 6521 6521
Email: Compliance@shyamgroup.com

## CORPORATE OFFICE

S S Chambers
5 CR Avenue, Princep Street
2nd floor, Kolkata- 700072,
West Bengal
Tel No.: 033 4011 1000
Email: Compliance@shyamgroup.com

## PLANT LOCATION

Village: Pandloi, PO: Lapanga
Dist.: Sambalpur,
Pin: 768212 (Odisha)

## REGISTRAR AND TRANSFER AGENT

**M/s. KFin Technologies Ltd.**
Selenium Tower 'B', Plot No. 31 & 32
Financial District, Nanakramguda
Hyderabad -500032
Tel No.: +91 040 6716 2222
Email: einward.ris@kfintech.com

## BANKERS

State Bank of India | Axis Bank Limited
ICICI Bank Limited | HDFC Bank Limited
YES Bank Limited | IDFC First Bank Limited
UCO Bank | Punjab National Bank
Indian Bank

# Statutory **Reports**

# Management Discussion & Analysis

## Executive summary

Financial Year 2025-26 was a year of construction not merely of steel and infrastructure, though that, too, was on a scale the Company has not previously attempted, but of the foundational architecture that will define Shyam Metalics and Energy Limited for the decade ahead.

Against a backdrop of a challenging macro environment, compressed steel realisations driven by an unprecedented surge in Chinese exports, and the deliberate costs of running multiple new facilities through their ramp-up phases simultaneously, the Company delivered consolidated revenue of ₹18,552 crore, a 22% increase over the previous year and a consolidated Profit After Tax of ₹1,061 crore, representing 17% growth year-on-year.

These outcomes, achieved in the year they were achieved, reflect both the resilience of our integrated 'Ore to Metal' model and the discipline of a management team that does not allow short-term pressures to alter a carefully considered long-term direction.

## ECONOMIC OVERVIEW

### Global Economy

The global economy remained moderately resilient during 2025 despite geopolitical uncertainty, elevated interest rates, commodity volatility and uneven demand conditions across major regions. Emerging market and developing economies continued to outperform advanced economies, supported by infrastructure spending, manufacturing expansion and urbanisation.

For the metals sector, the operating environment remained challenging. Volatility in iron ore, coal, energy, freight and ferroalloy inputs affected production economics, while trade-related actions and shifting steel flows, particularly from China, influenced pricing and competitive intensity across global markets.

At the same time, long-term demand remained supported by infrastructure development, renewable energy, electric mobility, industrial manufacturing and supply-chain diversification. Integrated metal producers with diversified product portfolios, captive power, backward integration and cost-efficient operations remained better positioned to manage this volatility.

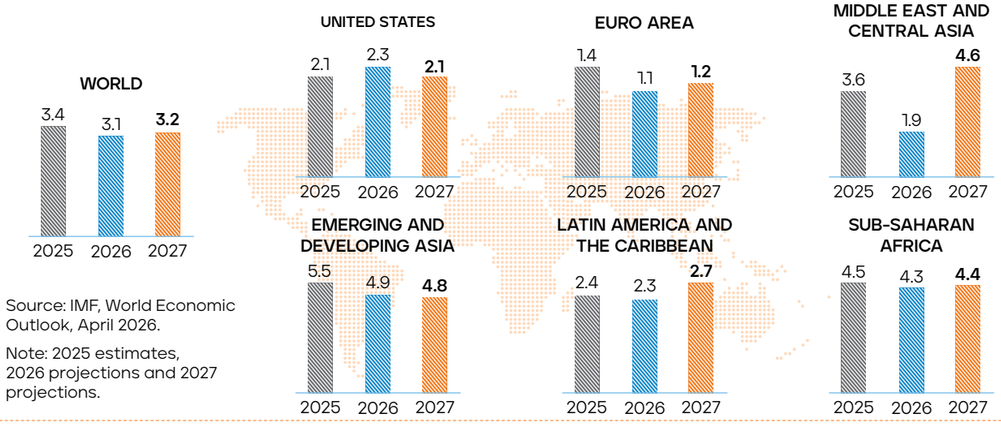
**GDP Growth (%)**

| Year | World | Advanced Economies | Emerging and Developing Economies |
|---|---|---|---|
| 2025E | 3.4 | 1.9 | 4.4 |
| 2026P | 3.1 | 1.8 | 3.9 |
| 2027P | 3.2 | 1.7 | 4.2 |

(Source: https://www.imf.org/-/media/files/publications/weo/2026/april/english/text.pdf)

World Economic Outlook April 2026 - Growth Projections by Region

(REAL GDP GROWTH, PERCENT CHANGE)




Source: IMF, World Economic Outlook, April 2026.

Note: 2025 estimates, 2026 projections and 2027 projections.

### Indian Economy

India remained one of the fastest-growing major economies during FY26, supported by strong domestic demand, resilient consumption, sustained public investment and improving private-sector participation. Real GDP is estimated to have grown 7.4% in FY26, up from 6.5% in the previous year, with growth in FY27 projected between 6.8% and 7.2%. Growth was primarily driven by infrastructure expansion, manufacturing activity and investment-led development, underpinned by healthy balance sheets across households, corporates and banks.

Government-led capital expenditure remained a key catalyst, rising from an average of 2.7% of GDP during 2016-20 to nearly 4% in FY25, with continued investment in roads, railways, metro projects, airports, ports, industrial corridors and urban infrastructure. These outlays strengthened demand visibility across steel-intensive sectors, including construction, transportation, engineering and industrial manufacturing.

India's industrial sector is projected to grow by 6.2% in FY26. In H1 FY26, industrial activity grew by 7.0%, while manufacturing GVA grew by 7.72% in Q1 and 9.13% in Q2, supported by rising capacity utilisation and supply chain diversification. Continued focus on Make in India, PLI schemes and manufacturing localisation further reinforced long-term demand prospects for steel, ferro alloys and value-added metal products.

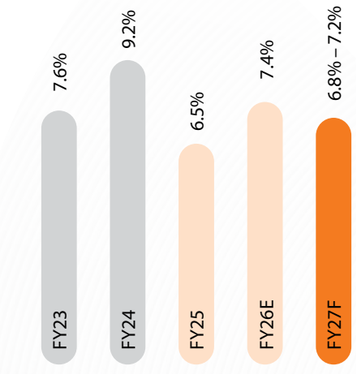
Retail inflation moderated from 4.6% in FY25 to 1.7% during April-December FY26, improving purchasing power and supporting economic stability. However, volatility in energy prices, coal costs and commodity markets continued to influence input costs across energy-intensive industries. The external sector remained resilient, with the current account deficit moderating to 0.8% of GDP and FDI inflows rising 13% to USD 81 billion in 2025, reflecting sustained investor confidence in India's manufacturing ecosystem.

For Shyam Metalics, this operating environment aligns directly with its integrated manufacturing base, captive power capabilities, diversified portfolio and increasing focus on downstream and value-added products across carbon steel, stainless steel, aluminium, speciality steel and railway-linked applications.

### OUTLOOK

The Indian economy is expected to sustain its growth trajectory in FY27, with GDP growth projected between 6.8% and 7.2%, driven by continued public capital expenditure, a recovery in private investment, and stable consumption demand. Infrastructure spending across railways, highways and industrial corridors will remain the primary driver of demand for steel-intensive sectors. While global trade uncertainties and commodity price volatility remain watchpoints, India's domestic fundamentals — moderate inflation, a manageable current account deficit and strong institutional balance sheets — provide a credible foundation for sustained expansion.

**India's GDP Growth (%)**




E: Estimated | F: Forecast

(Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2220800&reg=3&lang=2

https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026)

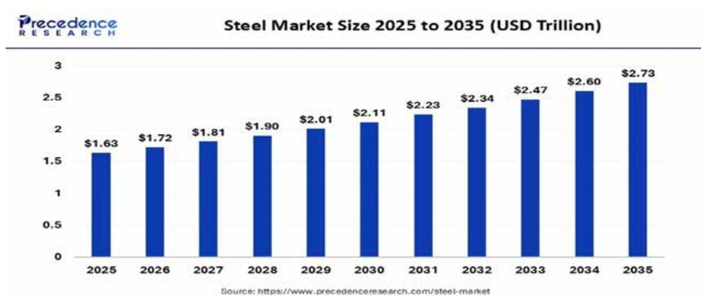
## THE STEEL SECTOR

### Global Steel Sector

The global steel market was valued at approximately USD 1.63 trillion in 2025 and is projected to reach USD 2.73 trillion by 2035, registering a CAGR of 5.29%. According to the World Steel Association, global steel demand is expected to reach 1,749 million tonnes in 2025 and 1,762 million tonnes by 2027, supported by infrastructure investments, industrial recovery and manufacturing expansion across emerging economies. Global steel production is projected to grow at an average annual rate of 0.9% through 2030, with emerging economies — particularly India, Southeast Asia and the Middle East accounting for the bulk of incremental consumption. Steel demand in developed economies grew a modest 0.2% in CY25, ending a three-year contraction, with a gradual recovery of 1.0-2.3% expected through CY27 as manufacturing activity and infrastructure spending improve.

The defining feature of the global steel landscape in 2025, however, was not demand — it was the scale and persistence of Chinese overcapacity. China, which accounts for over half of global steel output, saw domestic consumption decline for the third consecutive year as its property sector continued to contract and construction activity weakened. With production capacity far exceeding internal requirements, Chinese steel exports rose to an all-time high of 119 million tonnes in CY25, as producers redirected surplus output to international markets at prices that undercut regional competitors. The result was a structural distortion in global trade flows: steel export prices, including freight, fell below the cost of production for a sustained period, compressing margins for producers across Asia, the Middle East and Europe.

Over 30 countries initiated anti-dumping or safeguard investigations during the year. China's steel demand is expected to decline a further 1-1.5% in CY26, and exports are projected to remain above 100 million tonnes, suggesting that the supply overhang will persist as a defining feature of the global operating environment in the near term. For India, the impact was direct and material: cheap imports compressed domestic steel realisations through the first three quarters of FY26, eroding pricing power across the flat and long-products value chain even as domestic demand grew by 7-8%.




Sources
https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/05/oecd-steel-outlook-2025_bf2b6109/28b61a5e-en.pdf
https://worldsteel.org/media/press-releases/2026/worldsteel-short-range-outlook-april-2026/
https://www.precedenceresearch.com/steel-market)

### Indian Steel Sector

The Indian steel industry delivered strong volume growth in FY26, with crude steel production rising 10.7% to 168.4 million tonnes and finished steel consumption increasing 7.6% to 163.7 million tonnes. India retained its position as the world's second-largest steel producer, with domestic consumption more than doubling over the past decade. The market was valued at approximately USD 140.5 billion in 2025 and is projected to reach USD 227.4 billion by 2032, growing at a CAGR of 7.1%.

The growth story in FY26, however, was one of volumes against pricing headwinds. Domestic carbon steel realisations remained under sustained pressure through the first three quarters, driven by low-cost imports that compressed margins across the value chain. The Government's imposition of a 12% safeguard duty on certain flat steel products from April 2025- confirmed as a three-year measure-along with anti-dumping duties on specific Chinese electrical steel, provided partial relief in H2 FY26. Finished steel imports declined significantly, and India regained net exporter status with exports rising 35.9% to 6.6 million tonnes. For producers operating primarily in long products and value-added categories, as Shyam Metalics does, the pricing environment in carbon steel longs was comparatively more stable than in flats, though not immune to broader realisation compression.

Demand drivers remained firmly in place. Government-led capital expenditure across railways, highways, metro networks, industrial corridors and urban housing continued to underpin steel consumption in construction and infrastructure. India's national highway network has expanded beyond 1,45,000 kilometres, and the metro rail network now exceeds 1,095 kilometres across 26 cities — steel-intensive development that generates demand for long products, structural and TMT bars, categories where integrated producers with proximity to eastern India's raw material belt hold a natural cost advantage.

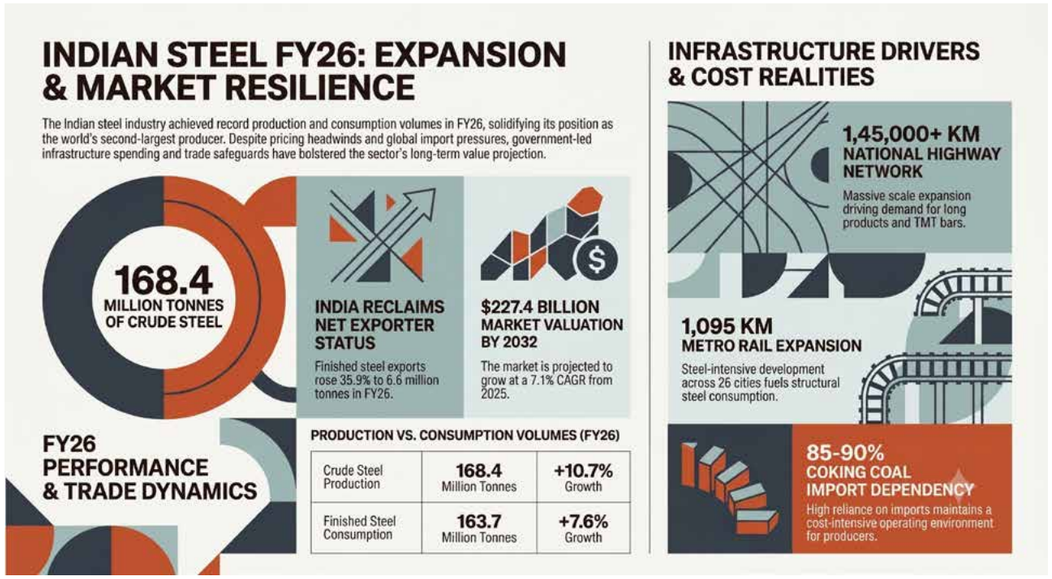
Sponge iron and pig iron production recorded healthy growth, reflecting demand from both primary and secondary steelmakers. For vertically integrated players such as Shyam Metalics — where pig iron, sponge iron and ferro alloys serve as both saleable products and captive intermediates — this environment supported merchant volumes and internal cost efficiency.

Beyond carbon steel, the faster-growing segments are increasingly relevant to the Company's business. Stainless steel consumption continued to rise, driven by infrastructure, railways and consumer applications, with domestic producers gaining share as anti-dumping investigations on imports progressed.

Speciality alloys demand grew on the back of automotive, engineering and industrial applications. Aluminium foil and downstream products benefited from expanding demand in packaging, pharmaceuticals and renewable energy. Each represents a category where Shyam Metalics has established capacity or is investing under Vision 2031.

The operating environment remained cost intensive. India imports approximately 85-90% of its coking coal requirements, and volatility in coking coal prices, energy expenses and freight rates continued to influence production economics. Integrated producers with captive power, backward integration and diversified revenue streams are structurally better positioned to manage this volatility — a profile that defines Shyam Metalics' operating model.

The sector is also progressing towards low-carbon production through investments in renewable energy, waste heat recovery and energy-efficient technologies, supported by policy frameworks including the National Green Hydrogen Mission. For integrated producers with captive power and waste-heat recovery infrastructure already in place, this transition represents both a compliance imperative and a strengthening of competitive advantage.




**The Primary Sectors Driving Steel Demand in India**

Infrastructure and Construction: The Indian construction sector, valued at USD 685 billion in 2025 and projected to reach USD 1.25 trillion by 2034, remains one of the largest consumers of steel. Rapid urbanisation, expanding residential and commercial real estate, and substantial investments in transportation infrastructure, industrial corridors and smart cities are driving demand for structural steel, TMT bars and wire rods. Continued government focus on infrastructure-led growth, supported by rising capital expenditure and PPP projects, is expected to sustain long-term consumption and create strong opportunities for integrated steel producers.
(Source: https://www.imarcgroup.com/india-construction-market)

Automotive and Transportation: India's automotive industry is expected to strengthen its position as one of the world's largest vehicle markets by 2026, supported by rising passenger vehicle demand and growth in electric mobility. Expansion across passenger vehicles, commercial vehicles and two-wheelers is driving higher consumption of flat steel, speciality steel and alloy steel. The growing trend towards vehicle premiumisation and electric vehicles is increasing demand for advanced high-strength steel, lightweight grades and value-added products, positioning the sector as a sustained driver of steel demand and product innovation.
(Source: https://creativesnext.com/info/auto-industry-outlook-in-india/)

Engineering and Manufacturing: India's manufacturing sector, valued at approximately USD 310.3 billion in 2025 and projected to grow at a 9.1% CAGR through 2033, is driving significant demand for steel and allied metal products. Expansion across automotive, engineering, consumer durables, capital goods and industrial machinery is driving consumption of flat steel, long steel, speciality steel and ferro alloys. Government initiatives, including Make in India and PLI schemes, alongside rising FDI and investments in industrial corridors, are supporting capacity expansion and localisation, strengthening domestic steel demand.
(Source: https://www.datainsightsmarket.com/reports/india-manufacturing-market-18623)

Renewable Energy: India's renewable energy expansion is emerging as a significant driver of steel demand. As of March 2026, the country had installed 283.5 GW of non-fossil fuel capacity, including 150.3 GW of solar and 56.1 GW of wind energy, with an additional 55.3 GW added during FY26. Large-scale investments in solar parks, wind farms, transmission infrastructure and grid modernisation require substantial quantities of structural steel, galvanised steel and electrical steel. India's target of 500 GW of non-fossil fuel capacity by 2030 is expected to create sustained long-term demand across the renewable energy value chain.
(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2250039&reg=3&lang=1)

Value-Added and Downstream Metals Opportunity: The Indian metals sector is increasingly moving beyond volume-led growth towards value-added, application-specific and downstream products. Demand from infrastructure, railways, renewable energy, electric mobility, packaging and consumer-facing industries is creating opportunities for specialised steel, stainless steel, aluminium and coated products. Value-added categories improve portfolio resilience, reduce dependence on commoditised realisations and support stronger customer stickiness. This trend is directly relevant to Shyam Metalics. The Company's expansion across cold-rolled products, stainless steel, aluminium foil, speciality steel and railway wagon manufacturing reflects a deliberate move towards premiumisation and downstream integration. By combining integrated operations with captive power, raw material linkages and a diversified product portfolio, the Company is positioned to participate in both core steel demand and higher-value metals opportunities.

## SWOT Analysis

**Strengths**

The availability of domestic iron ore reserves and coal and the growing presence of integrated metal producers support raw material security, operating efficiency and cost competitiveness.

Policy support through public capital expenditure, PM Gati Shakti, Make in India, the National Steel Policy and PLI-linked manufacturing initiatives continues to strengthen the domestic steel ecosystem.

**Weaknesses**

Limited capacity and technological weaknesses hinder the steel industry's ability to manufacture high-quality steel for new-age applications.

The steel industry remains cyclical and is sensitive to fluctuations in demand, realisations, raw material prices and global trade conditions.

High dependence on imported coking coal exposes the sector to international price volatility, currency movements and supply chain disruptions.

Steel and metals production are energy-intensive, making profitability sensitive to coal, power, freight and logistics costs.

Capacity expansion and technology upgrades require significant capital investment, while initial ramp-up phases may temporarily affect utilisation and margins.

**Opportunities**

Rising investments in infrastructure, railways, housing, industrial corridors and manufacturing are expected to support long-term domestic steel demand.

Growing demand for speciality steel, stainless steel, ferro alloys and value-added downstream products creates opportunities for margin improvement and portfolio diversification.

Expansion of renewable energy, electric mobility, battery manufacturing, defence, engineering and transportation sectors is creating new application-led demand for steel, aluminium and specialised metal products.

Transition to green steel, integration of renewable energy, scrap recycling, energy efficiency and low-carbon manufacturing can strengthen long-term competitiveness.

**Threats**

Elevated Chinese steel exports affect domestic prices, putting pressure on realisations and margins.

Geopolitical tensions, trade restrictions, tariff actions and supply chain disruptions may affect raw material availability, exports and global steel flows.

Increasing environmental regulations, carbon-related compliance requirements, and mechanisms such as CBAM may raise costs and affect the export competitiveness of carbon-intensive producers.

## COMPANY OVERVIEW

Shyam Metalics and Energy Limited is one of India's leading integrated metal producers, with a diversified portfolio spanning carbon steel, stainless steel, ferroalloys, aluminium foil and allied downstream products. The Company operates on an integrated Ore-to-Metal model, serving infrastructure, construction, engineering, transportation, packaging, industrial and export markets through a broad range of intermediate and finished products.

Manufacturing operations are strategically located across key mineral and industrial regions, supported by captive power generation, railway sidings and dedicated logistics infrastructure. This configuration strengthens cost competitiveness, enhances operating reliability and provides the flexibility to serve both captive and merchant demand across product categories.

In FY26, the Company accelerated its platform build-out through capacity expansion, downstream integration and a sharper focus on value-added products. Its growing presence in cold rolled products, stainless steel, aluminium foil, speciality steel and railway-linked applications marks a deliberate shift towards premiumisation, product diversification and long-term margin resilience.

The following table summarises the Company's installed capacities across key business segments.

| Business Segment (MTPA / MW) | FY26 | FY25 |
|---|---|---|
| Iron Ore Pellet | 6.00 | 6.00 |
| Sponge Iron | 3.05 | 3.05 |
| Billets | 2.01 | 2.01 |
| TMT Bars, Structural Steel, Wire Rods & Pipes | 2.07 | 2.07 |
| Specialty Alloys | 0.22 | 0.22 |
| Stainless Steel Billets | 0.12 | 0.12 |
| Stainless Steel Finished Steel | 0.15 | 0.15 |
| Aluminium Foil | 0.04 | 0.04 |
| Pig Iron | 1.22 | 0.77 |
| Coke Oven | 0.45 | 0.45 |
| Colour-Coated Sheets | 0.40 | 0.25 |
| Captive Power (MW) | 467 | 467 |
| Renewable Power (MW) | 9 | 9 |

* FY26 aluminium-foil capacity was restated from 0.04 MTPA to 0.024 MTPA to reflect ultra-thin foil production.

## Operational Performance

Operational progress in FY26 was substantial. The Pig Iron plant at Jamuria, commissioned in FY25, achieved 100% utilisation in FY26, validating both execution capability and underlying product demand.

The Colour-Coated facility reached 71% utilisation within its first full year. Developed with an investment of ₹603 crore, the Company's greenfield Cold Rolling Mill at Jamuria – Phase 1 (2,50,000 TPA) commenced operations in October 2024. Phase 2 of the facility commenced operations in April 2026.

Stainless steel volumes grew 11.5% while realisation improved by 6.7%; speciality alloys delivered 11.9% volume growth. Both segments confirm that diversification into higher-value categories is meeting market demand rather than simply adding capacity.

Fixed assets grew from ₹6,356.68 crore to ₹8,134.01 crore over the year — reflecting the intentional deployment of capital into productive assets that will underpin revenue growth in FY27 and beyond.

## Segment Performance

The Company's operations span five primary reporting segments. The following section provides a factual account of FY26 performance across each.

Carbon Steel, Long and Flat Products: Revenue contribution remained dominant, with long products (TMT bars, structural steel, wire rods) continuing to form the core of volume output. Flat products — CR coil and sheet — emerged as a meaningful new revenue line in FY26 following commissioning of the Cold Rolling Mill. Carbon steel segment margins remained under pressure throughout H1 due to Chinese dumping and rising input costs, with a recovery evident in H2 as utilisation improved and the new facilities progressed through their ramp-up curves.

Stainless Steel: This segment delivered the most consistent performance improvement across FY26. Volumes grew 11.5% year-on-year, realisations improved by 6.7%. The acquisition of Mittal Corp continues to provide the upstream billet and wire rod base from which SMEL's stainless steel downstream ambition is built. The ₹1,800 crore downstream expansion at Sambalpur, targeting 6,00,000 TPA of finished capacity by Q1 FY29, will transform this segment from a growth contributor to one of the Company's primary earnings anchors.

Ferro Alloys and Speciality Alloys: Speciality alloy volumes delivered the standout growth figure of FY26, an 11.9% year-on-year increase. The Company remains among the largest ferro alloy producers in India by installed capacity, and the segment's performance in FY26 reflects both the strength of end-market demand and the competitive advantage of our integrated production model, which positions us to maintain supply consistency through input cost cycles.

Aluminium: SMEL is India's largest speciality aluminium foil manufacturer, and this position was further strengthened in FY27 through capacity additions under the ₹800 crore aluminium investment programme. Realisation per tonne improved 10.4%, the greatest improvement among the Company's segments. The planned extension into battery-grade aluminium foil, aligned with India's electric-vehicle transition and the growing domestic battery manufacturing ecosystem, is currently in advanced development and will be reported upon in greater detail in FY27.

Energy: Captive power generation continued to account for 81% of total power consumption across the Company's facilities, a ratio that directly defends operating margins in periods of grid tariff volatility. The Company's acquisition of a 26% stake in a solar power company in August 2025 marks the first formal step towards integrating renewable energy into the captive power programme, consistent with the Company's stated direction to reduce the carbon intensity of its energy mix progressively.

## FINANCIAL PERFORMANCE

### REVENUE PERFORMANCE

The Company delivered consolidated revenue from operations of ₹18,552 crore in FY2025-26, a 22% increase over ₹15,138 crore in the previous year. Growth was broad-based and volume-driven — total volumes grew 22% year-on-year in Q4 FY26 alone, with full-year expansion reflecting the combined contribution of several newly commissioned facilities that reached meaningful utilisation levels through the year. Revenue crossed ₹5,000 crore in a single quarter for the first time, with Q4 FY26 recording ₹5,240 crore — a 27% year-on-year increase — confirming that momentum was genuine and accelerating into FY27.

Growth was not uniform across segments. Carbon steel, which accounts for the largest share of total volumes, faced a challenging pricing environment for most of FY26. Domestic realisations came under sustained pressure from elevated Chinese exports at below-market prices — a structural distortion that compressed average carbon steel realisations by 3% year-on-year. Gains in higher-realisation categories partially offset this: stainless steel realisations improved by 6.7% and aluminium foil by 10% per tonne. The mix improvement was deliberate, and is the clearest available evidence that diversification is translating into financial outcomes, not merely strategic intent.

### THE MARGIN JOURNEY: A FOUR-QUARTER NARRATIVE

EBITDA for FY26 stood at ₹2,537 crore against ₹2,097 crore in FY25 — a 21% improvement in absolute terms. Full-year EBITDA margin was 13.7%, and the following is a frank account of how the Company arrived at that number and what it signals for FY27.

The year unfolded in two distinct halves. In Q1 FY26, the margin profile was broadly consistent with the prior year as the Pig Iron plant at Jamuria — commissioned in FY25 — ramped to 104% utilisation and began delivering its designed integration benefit.

Q2 FY26 marked the deepest point of margin pressure: consolidated EBITDA margin declined to 12.10% as four facilities-the Coke Oven, Blast Furnace, Sinter Plant and Cold Rolling Mill-entered simultaneous commissioning and early ramp-up. The costs of this phase were real and fully anticipated: commissioning losses, sub-optimal input ratios, elevated power and fuel costs before captive systems stabilised, and a labour and overhead structure calibrated for steady-state production being carried at partial utilisation. These are not structural margin problems. They are transitional costs with a defined end date — and that end date arrived in H2 FY26.

Q3 FY26 saw a partial recovery as facilities progressively stabilised, though headwinds from carbon steel realisation persisted. Q4 FY26 delivered the clearest evidence of the Company's underlying margin capability: EBITDA of ₹756 crore at a margin of approximately 14.4%, representing 33% year-on-year growth. Operating EBITDA-excluding other income-grew 41% in Q4. The drivers were operational, not cyclical: higher utilisation across Jamuria facilities, a more favourable product mix as value-added volumes grew, and progressive normalisation of input costs as procurement systems aligned with new production configurations.

The Q4 run-rate is the best current indication of underlying earnings capacity before the next wave of commissioned capacity — SBQ mill and stainless steel downstream — adds further volume from FY29 onwards.

### BALANCE SHEET AND LIQUIDITY

The Company's balance sheet remains a defining strength, and FY26 has not altered that position. Gross debt stands at ₹957 crore against a net worth of ₹10,500 crore a leverage ratio among the lowest in the domestic integrated steel sector and well within the self-imposed ceiling of 0.5x debt-to-equity. A net cash position is maintained. The CRISIL AA+/Stable rating, upgraded in November 2025, reflects an independent assessment that this financial profile is sustainable through the investment cycle ahead.

Free cash flow generation in FY26 was sufficient to fund the year's capital expenditure from internal accruals, consistent with the financing philosophy underpinning Vision 2031. The Company has publicly committed that the entire remaining capex programme will be funded without any incremental external debt that would breach the 0.5x D/E ceiling.

This is not a soft aspiration — it is a constraint that management has chosen to impose on its own capital allocation decisions, reflecting a conviction that growth pursued without balance sheet discipline is not growth worth pursuing. FY26, despite its complexity, validated that conviction.

Working capital management improved through FY26 as procurement and inventory systems adapted to the expanded asset base. Debtor days, creditor days, and inventory days are monitored at the consolidated level by the CFO's office and reported quarterly to the Audit Committee; year-end positions are disclosed in the notes to the financial statements.

### EARNINGS PER SHARE AND DIVIDEND

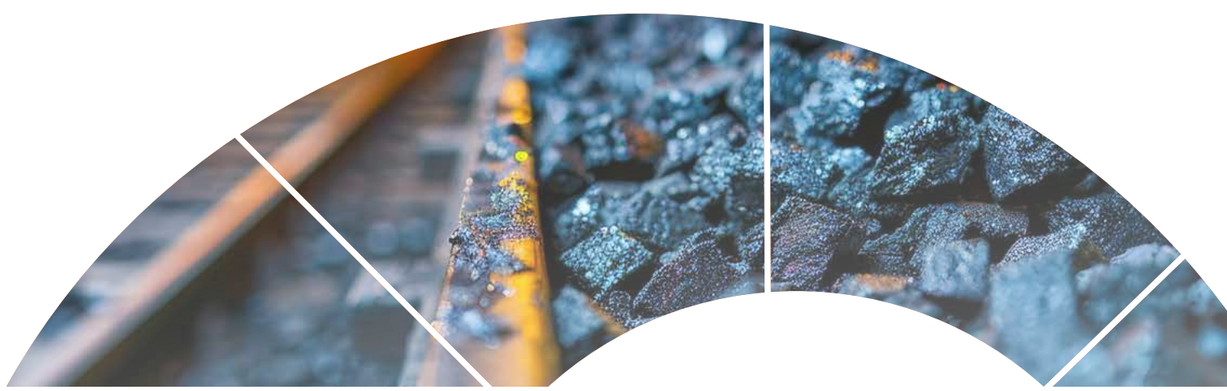
Consolidated Basic Earnings Per Share for FY2025-26 stood at ₹ 38.10 against ₹ 32.70 in the previous year, reflecting PAT growth from ₹ 1040 crore to ₹1,061 crore. The Board has proposed a final dividend of ₹ 2.70 per share for FY26, consistent with the Company's Distribution Policy and its commitment to returning value to shareholders while preserving the capital required to execute Vision 2031.

**Financial Snapshot of Standalone Business (₹ Crore)**

| Particulars | FY26 | FY25 |
|---|---|---|
| Total Income | 7,103.8 | 6,623.7 |
| Operating EBITDA | 923.15 | 777.02 |
| Interest and Financial Charges | 50.6 | 49.9 |
| Profit Before Tax (PBT) | 743.8 | 660.5 |
| Tax Expenses | 190.9 | 170.8 |
| Net Profit (PAT) | 552.9 | 489.6 |

**Key Financial Ratios**

| Financial Ratio | FY26 | FY25 | Change (%) | Reason for Variation |
|---|---|---|---|---|
| Debtor's Turnover (times) | 6.65 | 7.01 | -5.1% | NA |
| Inventory Turnover (times) | 6.34 | 7.78 | -18.5% | NA |
| Return on Equity (%) | 8.90 | 8.48 | 5% | NA |
| Interest Coverage Ratio (times) | 12.64 | 14.41 | -12.3% | NA |
| Current Ratio (times) | 1.53 | 1.80 | -15% | NA |
| Debt-Equity Ratio (times) | 0.04 | 0.03 | 6.2% | NA |
| Operating Profit Margin (%) | 9.78 | 8.74 | 11.90% | NA |
| Net Profit Margin (%) | 7.93 | 7.58 | 4.7% | NA |



## Human Resources

At Shyam Metalics, operational performance begins with the people who deliver it. The Company's human resource approach is built on a simple premise: invest in capability, maintain high standards and create conditions where employees can perform at their best.

## Talent and Capability Building

The Company invested in structured learning and development programmes across technical, functional and leadership competencies during FY26. Training interventions were designed around role-specific requirements and aligned to evolving business needs as new facilities ramped up and product portfolios expanded. Continuous skill development remained central to workforce readiness and organisational agility.

## Employee Engagement

Engagement initiatives spanned all operating locations through interactive programmes, leadership connect sessions and team-building activities. Regular communication forums enabled open dialogue between management and employees, encouraging idea-sharing, feedback and alignment with business priorities.

## Digital HR Transformation

The Company continued to strengthen its HR technology infrastructure. Digitisation of attendance management, payroll, performance evaluation and employee lifecycle processes improved efficiency, reduced manual intervention and enabled HR teams to focus on strategic priorities. The Company also introduced a new HRMS with advanced AI enablement and next-generation technology.

## Ethics and Governance

Awareness programmes on the Code of Conduct, workplace ethics and compliance requirements were conducted throughout the year. Grievance redressal mechanisms and whistleblower frameworks remained active, reinforcing a culture of accountability and institutional trust.

## Safety and Well-being

Workplace safety remained a priority across all facilities. Regular safety training, health awareness campaigns and preventive protocols were implemented to maintain a secure operating environment. The Company continued to promote inclusivity, equal opportunity and a respectful workplace where employees from diverse backgrounds can contribute effectively.

## Recognition

Individual and team contributions were recognised through structured appreciation programmes. Cultural events and employee-centric initiatives strengthened workplace cohesion and reinforced a performance-driven, purpose-aligned organisational culture.

**10,264**
**Full-Term Employees (FTEs)**

**10,125**
**Indirect Employment**

## Corporate Social Responsibility

Shyam Metalics views Corporate Social Responsibility not as a peripheral obligation but as an integral dimension of how it operates. The Company's CSR programmes are designed to create measurable, lasting impact in the communities where it is present — through sustained interventions in livelihood generation, education, healthcare, environmental stewardship and community infrastructure.

Skill development and vocational training programmes equip individuals from underserved communities with employable capabilities and entrepreneurial pathways, building economic self-reliance at the household level. Educational initiatives — including scholarships, coaching centres and digital learning facilities — expand access to quality education for students from economically disadvantaged backgrounds, strengthening the long-term human capital base of the regions the Company serves.

Healthcare outreach programmes, medical camps and community health facilities extend essential medical services to rural populations with limited access to institutional care. Water conservation, afforestation, renewable energy adoption and sustainable agricultural practices contribute to environmental preservation and resource security across operating geographies.

Investments in sanitation, public infrastructure, sports promotion and the preservation of local cultural heritage complete the Company's community engagement framework — one designed to improve quality of life, strengthen institutional trust and ensure that the benefits of industrial growth are shared equitably with the communities that make it possible.

## Business Outlook

Shyam Metalics is confident about its long-term growth trajectory. The structural drivers underpinning that confidence — India's infrastructure-led steel demand, manufacturing expansion, railway modernisation, renewable energy build-out and the progressive shift towards value-added metal products — are not cyclical. They are policy-backed, investment-supported and multi-decade in duration. The Company's strategic positioning at the intersection of integrated steelmaking, downstream value addition and product diversification places it squarely in the path of this demand.

Under Vision 2031, the Company has outlined a clear roadmap to scale revenue to ₹42,500 crore plus (2.3x), supported by an aggregate capacity expansion from 16.78 million tonnes to 27 million tonnes and a ₹10,155 crore capital expenditure programme, funded entirely through internal accruals. EBITDA margins are targeted to improve by 200-300 basis points as the product mix shifts towards higher-value categories and operational leverage from the expanded asset base is fully realised. Export revenues are targeted to double from USD 200 million to USD 400 million, and the growth programme is expected to generate over 10,000 new direct and indirect employment opportunities.

To advance this vision, the Board has approved a fresh capital expenditure programme of ₹2,700 crore, comprising ₹900 crore for a 0.8 MTPA Special Bar Quality (SBQ) mill at Kharagpur — a facility that will serve automotive, engineering, defence and precision manufacturing applications — and ₹1,800 crore towards expanding stainless steel downstream capabilities at Sambalpur, with targeted capacity of 0.6 MTPA. These projects are expected to be commissioned from FY29 onwards and will deepen the Company's presence in higher-margin categories where domestic supply remains constrained.

The Company is simultaneously entering railway wagon manufacturing, leveraging its integrated steel and stainless steel capabilities to create a downstream business aligned with India's railway infrastructure expansion programme. In aluminium, the Company continues to expand its foil operations — including specialised battery-grade foil for EV applications — building on its position as India's largest speciality aluminium foil manufacturer. In stainless steel, the Company targets flat product capacity of 6.5 times its current level with downstream applications spanning tubes, utensils, defence and railways.

The financial foundation supporting this ambition is robust. A net cash balance sheet, gross debt of ₹957 crore against net worth of ₹10,500 crore, a CRISIL AA+/Stable rating and a demonstrated commitment to fund growth without breaching the self-imposed 0.5x D/E ceiling provide the capital discipline required to execute a programme of this scale without compromising balance sheet integrity. The Q4 FY26 EBITDA run-rate of ₹756 crore achieved before the next wave of capacity additions — offers a credible baseline from which the Vision 2031 targets can be pursued.

Shyam Metalics enters FY27 with its largest-ever operating asset base, a diversified and expanding product portfolio, integrated cost advantages, captive power infrastructure and the financial strength to invest through cycles. The Company is positioned not merely to participate in India's metals demand growth but to shape the terms on which it competes — through premiumisation, downstream integration and disciplined capital deployment.

## Risk Management

Shyam Metalics employs an integrated, enterprise-wide approach to risk management. The Company identifies, assesses, and mitigates risks across all functions and business verticals. Its framework addresses regulatory requirements, protects brand equity, and limits exposure to financial, operational, and market-related uncertainties. Equally, it positions the Company to act on emerging opportunities with speed and confidence. The outcome is a business built for resilience — one that delivers consistent growth while staying prepared for shifts in the external environment.

| Risk Category | Potential Impact | Risk Mitigation Approach |
|---|---|---|
| **FINANCIAL RISK** | Large-scale expansion projects and volatility in raw material prices may impact cash flows, profitability and overall financial performance. | The Company maintains a strong liquidity position supported by healthy cash reserves and prudent capital management. Strategic sourcing arrangements, long-term procurement contracts and disciplined capital allocation help manage cost fluctuations and strengthen financial resilience. |
| **MARKET & COMPETITIVE RISK** | Intensifying competition across steel, stainless steel and aluminium segments may exert pressure on market share, pricing and margins. | Shyam Metalics continues to strengthen its market presence through product diversification, expansion of distribution channels and a growing focus on value-added and branded products. The emphasis on premium offerings enhances differentiation and supports sustainable profitability. |
| **GLOBAL STEEL PRICING AND IMPORT PRESSURE RISK** | Elevated steel exports from global markets, particularly China, and changing trade flows may create pricing pressure in domestic and international markets, affecting realisations and margins. | The Company mitigates this risk through product diversification, increased focus on value-added products, domestic market strength, disciplined cost management and integrated operations that provide flexibility across product categories. |
| **OPERATIONAL RISK** | Delays in project execution, capacity expansion or operational disruptions may affect production efficiency, customer commitments and business growth plans. | The Company continuously invests in modern manufacturing technologies, process automation and supply chain optimisation. Robust project management practices and operational excellence initiatives support timely execution and efficient capacity utilisation. |
| **PROJECT EXECUTION AND RAMP-UP RISK** | Large-scale capacity expansion, commissioning of new facilities and ramp-up of downstream projects may involve execution delays, stabilisation costs, lower initial utilisation and temporary margin pressure. | The Company manages this risk through phased capex execution, internal technical expertise, project monitoring, experienced operational teams, disciplined capital allocation and gradual ramp-up of new capacities. |
| **ENVIRONMENTAL & REGULATORY RISK** | Evolving environmental regulations and compliance requirements may increase operating costs and necessitate modifications to production processes. | The Company continues to strengthen environmental compliance through investments in pollution-control systems, energy-efficient technologies, monitoring mechanisms, resource optimisation and responsible manufacturing practices. EHS governance, regulatory tracking and corrective-action processes remain central to maintaining operational continuity and stakeholder trust. |
| **SUPPLY CHAIN RISK** | Dependence on critical raw materials and potential disruptions in supply networks could impact production continuity and cost structures. | The Company's integrated business model, captive power facilities, strategic inventory management and long-term supplier partnerships enhance supply security and reduce exposure to external disruptions. |
| **RAW MATERIAL AND ENERGY COST RISK** | Volatility in iron ore, coal, power, ferro alloy inputs, freight and other key costs may affect production economics, working capital requirements and profitability. | The Company's integrated operations, captive power capabilities, strategic sourcing, inventory management, logistics infrastructure and cost-control initiatives help reduce exposure to input-cost volatility. |
| **TECHNOLOGY & INNOVATION RISK** | Rapid technological advancements may require continuous investments to maintain competitiveness and operational relevance. | Shyam Metalics remains focused on innovation, product development and technology adoption across its businesses. Ongoing investments in advanced manufacturing capabilities, specialty products and research initiatives support long-term competitiveness and value creation. |

## Internal Control Systems and Their Adequacy

Shyam Metalics has established a robust internal control and governance framework designed to support operational excellence, financial discipline, regulatory compliance, and effective risk management across its businesses. The internal control architecture is embedded within the Company's processes. It is aligned with its strategic objectives, enabling timely identification, assessment, and mitigation of business risks while ensuring the integrity of operations and reporting.

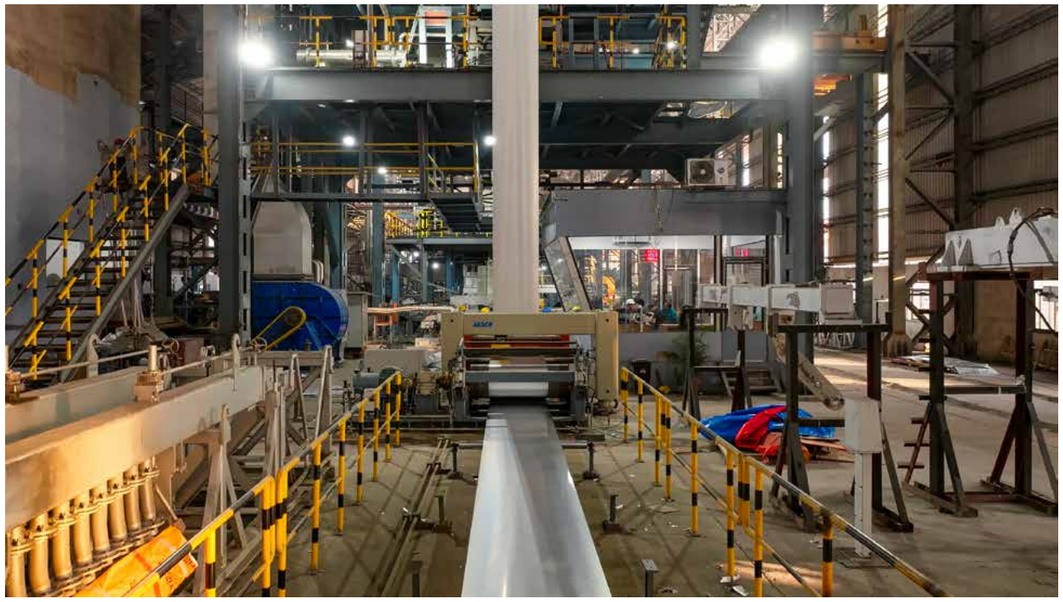
Given the Company's integrated manufacturing operations, internal controls also cover raw material procurement, inventory management, production planning, project execution, plant operations, captive power utilisation, environmental compliance, quality assurance, logistics, sales realisation and working-capital monitoring.

The control framework is built around a comprehensive risk-based approach encompassing governance oversight, risk assessment mechanisms, control procedures, information flow, and continuous monitoring systems. Standardised policies, operating procedures, and approval matrices are deployed across functions to strengthen accountability, enhance process efficiency, and safeguard organisational assets.

The Company maintains an independent internal audit function that evaluates the effectiveness of internal controls, operational processes, financial reporting systems, and compliance mechanisms. Internal audits are conducted through a structured audit programme covering key business functions, manufacturing operations, commercial activities, information systems, and statutory compliance requirements. Audit observations and recommendations are reviewed by management, and corrective actions are implemented through defined timelines to strengthen process effectiveness.

To further enhance transparency and governance standards, the Audit Committee of the Board regularly reviews internal audit findings, risk assessments, control deficiencies, and compliance status. The Committee provides strategic oversight to ensure that appropriate remedial measures are undertaken and that internal control systems remain responsive to the evolving business environment.

In addition, periodic reviews by independent external professionals provide further assurance on the adequacy and effectiveness of the Company's internal control framework. Through continuous monitoring, process improvements, and technology-driven controls, Shyam Metalics remains committed to maintaining a strong governance culture, protecting stakeholder interests, and ensuring sustainable business growth.



**CAUTIONARY STATEMENT**

The statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, plans or outlook may constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied due to various factors, including changes in economic conditions, commodity prices, demand trends, regulatory developments, project execution timelines, environmental compliance requirements, competitive intensity and other internal or external factors. The Company assumes no obligation to publicly amend, modify or revise any forward-looking statements based on subsequent developments, information or events.

## SHYAM METALICS AND ENERGY LIMITED

CIN: L40101WB2002PLC095491
Regd. Off: P-19, (Plate No.: D-403), Taratala Road, CPT Colony, Kolkata- 700088
Phone: +91 33 6521 6521
website: www.shyammetalics.com, e-mail: compliance@shyamgroup.com

## NOTICE OF THE 24TH ANNUAL GENERAL MEETING

Notice is hereby given that the 24th (Twenty Fourth) Annual General Meeting (AGM) of the Members of Shyam Metalics and Energy Limited ("the Company") will be held on **Tuesday, 25th August, 2026 at 3:00 P.M.** through Video Conferencing / Other Audio-Visual Means ("**VC/OAVM**"), to transact the following businesses:

### ORDINARY BUSINESS:

### Item No. 1 - Adoption of Audited (Standalone and Consolidated) Financial Statements

To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated) of the Company for the financial year ended 31st March, 2026 together with the Director's Report and the Auditor's Report thereon.

### Item No. 2 – Confirmation & Declaration of Dividend

To confirm payment of Interim Dividend @ 18% i.e. ₹1.80/- per equity share of ₹10 each declared on 22nd July, 2025 and to declare final dividend @ 27% i.e. ₹2.70/- per equity share of ₹10/- each for the Financial Year ended 31st March, 2026.

### Item No. 3 – Appointment of Mr. Sheetij Agarwal as a Director, liable to retire by rotation

To appoint a Director in place of Mr. Sheetij Agarwal (DIN: 08212992) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

### Item No. 4 – Ratification of remuneration payable to Cost Auditor for the Financial Year 2026-27

To consider and, if thought fit, to pass with or without modification of 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 ₹55,000/- (Fifty-Five Thousand Only) plus applicable taxes and reimbursement of actual out of pocket expenses to be paid to M/s. BSS & Associates, Cost Accountants (FRN: 001066), Cost Auditors of the Company, for the financial year 2026-27, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things and to take all such steps as may be deemed necessary and incidental to give effect to the aforesaid resolution."

### Item No. 5 - To consider and obtain fresh approval for raising of funds

To consider and, if thought fit, to pass with or without modifications of the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Sections 23, 42, 62, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), each including any amendment(s), statutory modification(s), or re-enactment(s) thereof ("**Companies Act**") and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, all other applicable laws, rules and regulations, including the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**"), consolidated FDI Policy dated October 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and the Foreign Exchange Management Act, 1999, ("**FEMA**") including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) thereof, or the rules and regulations issued thereunder, and the circulars or notifications issued thereunder, the extant consolidated Foreign Direct Investment Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce, Government of India, as amended and replaced from time to time and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended; the listing agreements entered into by the Company with the stock exchanges where the equity shares of face value of ₹10 of the Company are listed ("**Stock Exchanges**", and such equity shares, the "**Equity Shares**"); and any other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations, circulars, notifications, and guidelines issued by the Government of India ("**GoI**"), Ministry of Corporate Affairs ("**MCA**"), Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India ("**SEBI**"), Stock Exchanges, and such other statutory / regulatory authorities), and subject to all approvals, permissions, consents, and / or sanctions as may be necessary or required from SEBI, the Stock Exchanges, RBI, MCA, GoI, or any other concerned statutory / regulatory authority, or any third party, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and / or sanctions by any of the aforesaid authorities, which will be considered by the board of directors of the Company ("**Board**", which term shall include any committee which the Board may have constituted or may hereinafter constitute to exercise its powers, including the powers conferred by this resolution), approval of the members of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to offer, issue, and allot (including with provisions for reservations on firm and / or competitive basis, or such part of the issue and for such categories of persons as may be permitted) any instrument or security, including Equity Shares, preference shares (convertible or non-convertible), fully / partly convertible debentures, foreign currency convertible bonds, warrants (collectively, the "**Securities**"), or any combination of Securities, to all or any such investors, jointly and / or severally, that may be permitted to invest in such issuance of Securities, including resident or non—resident / foreign investors (whether institutions and / or incorporated bodies and / or trusts or otherwise) / foreign portfolio investors / mutual funds / pension funds / venture capital funds / banks / alternate investment funds / Indian and / or multilateral financial institutions / insurance companies / any other qualified institutional buyers as defined under the SEBI ICDR Regulations ("**QIBs**") / any other category of persons or entities who are authorized to invest in the Securities in terms of applicable law, as may be deemed appropriate by the Board in its absolute discretion and whether or not such investors are members of the Company, for cash, in one or more tranches, with or without a green shoe option, to raise funds for an aggregate consideration amounting upto **₹4,500 crore (Rupees Four Thousand Five Hundred Crore)**, through a public issue, preferential allotment, or a private placement (including one or more qualified institutions placements ("**QIP**") in accordance with the applicable provisions of the Companies Act and the SEBI ICDR Regulations), or through any other permissible mode and / or combination thereof as may be considered appropriate, to be subscribed to in Indian and / or any foreign currency by all eligible investors, through the issuance of an offer document / letter / circular / placement document, as permitted under applicable laws and regulations, at such price (including at a discount or premium to market price or prices permitted under applicable law), in such manner, and on such terms and conditions as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine to whom the offer, issue and allotment of Securities shall be made to the exclusion of others (including allotment to stabilizing agent in terms of green shoe option, if any, exercised by the Company); making of calls and manner of appropriation of application money or call money, in respect of different class(es) of investors and / or in respect of different Securities; number of securities to be issued; face value; number of Equity Shares to be issued and allotted on conversion / redemption / extinguishment of debt(s); rights attached to the warrants; period of conversion; fixing of record date; and / or book closure dates subject to the applicable laws considering the prevailing market conditions and / or other relevant factors, and wherever necessary, in consultation with the lead managers/ merchant bankers and / or other advisors appointed."

**"RESOLVED FURTHER THAT** pursuant to the above-mentioned resolutions:

a) the Securities proposed to be issued, offered and allotted shall be fully paid up and in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company, the Companies Act and other applicable laws;

b) the number and/or price of the Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division, reclassification of equity shares into other securities, issue of equity shares by way of capitalization of profits or reserves or any such capital or corporate re-organization or restructuring; and

c) in case of QIP, a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs.

**"RESOLVED FURTHER THAT** if the Company proposes to issue and allot any Securities by way of QIP to QIBs pursuant to and in terms of Chapter VI of the SEBI ICDR Regulations and SEBI Listing Regulations:

1. The issue and allotment of Securities by way of QIP to QIBs shall be completed within 365 days from the date of passing of this resolution or such other time as may be allowed under the Companies Act and/ or the SEBI ICDR Regulations, from time to time;

2. The "relevant date" for determination of the floor price of the Equity Shares to be issued shall be:

   a) in case of allotment of Equity Shares in a QIP, the date of meeting in which the Board decides to open the proposed issue, and/ or

   b) in case of allotment of eligible convertible securities in a QIP, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

3. The QIP shall be made at such price not less than the price determined in accordance with the pricing formula provided under the SEBI ICDR Regulations ("**QIP Floor Price**"), and the price determined for a QIP shall be subject to appropriate adjustments in accordance with the provisions of the SEBI ICDR Regulations, as may be applicable and the Board, in consultation with the lead managers may offer a discount of up to 5% (five per cent) or such other discount as may be permitted under applicable law including Regulation 176 of the SEBI ICDR Regulations for any of Securities.

4. The issue and allotment of fully paid-up Securities, except as may be permitted under the SEBI ICDR Regulations, and other applicable laws, shall only be to QIBs within the meaning of Chapter VI of the SEBI ICDR Regulations and no allotment shall be made, either directly or indirectly, to any person who is a promoter or any person related to promoters in terms of the SEBI ICDR Regulations.

5. The allotment to a single QIB in the proposed QIP issue will not exceed 50% of the total issue size or such other limit as may be permitted under applicable law as well as the minimum number of allottees specified in SEBI Regulations shall be complied with. It is clarified that QIBs belonging to the same group (as specified under Regulation 180(2) of the SEBI ICDR Regulations) or who are under the same control shall be deemed to be a single allottee;

6. No partly paid-up Equity Shares or other Securities shall be issued/ allotted.

7. The Equity Shares proposed to be issued/allotted by the Company through the QIP shall rank pari passu with the existing Equity Shares of the Company, in all respects, including with respect to entitlement to dividend and voting rights, from the date of allotment thereof, and shall be subject to the requirements of all applicable laws.

8. The Company shall not undertake any subsequent QIP until the expiry of two weeks from the date of the QIP to be undertaken pursuant to this special resolution.

9. The Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on the recognized Stock Exchanges, or except as may be permitted under the SEBI ICDR Regulations from time to time. Furthermore, the tenure of convertible or exchangeable Securities issued shall not exceed sixty months from the date of allotment"

**"RESOLVED FURTHER THAT** in case of issue of Equity Shares, by way of QIP as per Chapter VI of SEBI ICDR Regulations, the prices determined for the QIP shall be subject to appropriate adjustments if the Company, pending allotment under this resolution:

a) makes an issue of Equity Shares by way of capitalization of profits or reserves, other than by way of dividend on shares;

b) makes a rights issue of Equity Shares;

c) consolidates its outstanding Equity Shares into a smaller number of shares;

d) divides its outstanding Equity Shares including by way of stock split;

e) re-classifies any of its Equity Shares into other securities of the issuer; and

f) is involved in such other similar events or circumstances, which in the opinion of the concerned stock exchange, requires adjustments.

"**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolution the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with the existing Securities of the Company, if any, and the Equity Shares, issue and allotted pursuant to and in terms of this resolution shall rank pari passu in all respects with the then existing Equity Shares of the Company."

**"RESOLVED FURTHER THAT** the Board shall have the authority to decide, at such price or prices in such manner and where necessary, in consultation with the lead managers and/or underwriters and/or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide in terms of SEBI ICDR Regulations, and all other applicable laws, regulations and guidelines, whether or not such investor(s) are existing members of the Company, at a price not less than the price as determined in accordance with relevant provisions of the SEBI ICDR Regulations."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized, in consultation with the lead managers/ merchant bankers, advisors and/ or other intermediaries as may be appointed in relation to the issue of Securities, to do all such acts, deeds, matters and take all such steps as may be necessary including without limitation to sign and execute all deeds, documents, undertakings, agreements, papers and writings as may be required in this regard including without limitation, the private placement offer letter (along with the application form), information memorandum, offering circular, disclosure documents, subscription or purchase agreement, escrow agreement, trust deed, agency agreement, placement document, placement agreement, escrow agreement and any other documents as may be required, and to settle all questions, difficulties or doubts that may arise at any stage from time to time, and to engage, appoint all intermediaries including without limitation consultants, lead managers, co-lead managers, managers, merchant bankers, advisors, counsels, bankers, escrow agent, depository, custodian, registrar, trustee, etc., and to enter into and execute all such agreements/ arrangements/ memorandum of understanding with them, as may be considered necessary or appropriate to finalize, approve and issue any document(s), including but not limited to prospectus and/ or letter of offer and/ or circular, documents and agreements including filing of such documents (in draft or final form) with any Indian or foreign regulatory authority or Stock Exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit."

"**RESOLVED FURTHER THAT** such of those Equity Shares as are not subscribed to may be disposed of by the Board, in its absolute discretion, in such manner, as the Board may deem fit and as permissible under relevant laws/ guidelines."

"**RESOLVED FURTHER THAT** the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by SEBI/Stock Exchanges where the shares of the Company are listed or such other appropriate authorities at the time of according/granting their approvals to issue, allotment and listing thereof and as agreed to by the Board."

"**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any, of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with domestic and international practices to provide for the tradability and free transferability thereof as per applicable law and prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized in its absolute discretion, in such manner as it may deem fit, to dispose of such of the Securities that are not subscribed in accordance with applicable law."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the Issue, the Board be and is hereby authorized, on behalf of the Company, to take all actions and do all such acts, deeds, actions and sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, including the finalization and approval of the draft as well as final offer document(s), and any addenda or corrigenda thereto, as applicable, with any applicable regulatory authorities or agencies, as may be required, determining the form and manner of the Issue, identification and class of the investors to whom the Securities are to be offered, utilization of the issue proceeds and if the issue size exceeds ₹100 crore, the Board must make arrangements for the use of proceeds of the issue to be monitored by a credit rating agency registered with SEBI, in accordance with SEBI ICDR Regulations, authorizing any Director(s) or Officer(s) of the Company to sign offer documents, execute any necessary documents, agreements, forms, deeds, appointment of intermediaries, open and close the period of subscription of the Issue, determine the issue price, premium amount on issue/conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, signing of declarations, file any necessary forms with regulatory authorities and allot the Securities and to amend, vary or modify any of the above as the Board may consider necessary, desirable or expedient and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle or give instructions or directions for settling all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution. Furthermore, all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of these resolutions be and are hereby approved."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to do such acts, deeds, matters and take all steps as may be necessary including without limitation, the following:

i. to determine the terms and conditions of the QIP, including among other things, the amount of issuance of QIP, date of opening and closing of the QIP (including the

extension of such subscription period, as may be necessary or expedient), the investors to whom the Securities are to be issued, the relevant date for convertible securities, if any and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient;

ii. to determine the number and amount of Securities that may be offered in domestic and / or international markets and proportion thereof, tranches, issue price, listing, premium / discount, as permitted under applicable law (now or hereafter);

iii. to open such bank accounts, including escrow accounts, as are required for purposes of the QIP, in accordance with applicable law;

iv. to approve estimated expenditure in relation to the QIP;

v. to undertake all such actions and compliances as may be necessary in accordance with the SEBI ICDR Regulations, the SEBI Listing Regulations or any other applicable laws;

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint /engage book running lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, credit rating agencies, debenture trustees, guarantors, stabilizing agents, and all such agencies as are or may be required to be appointed, involved or concerned in such Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies and to seek the listing of such Securities issued on the Stock Exchanges where the Equity Shares of the Company are listed."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers, herein conferred, to any of its Committees of the Board, which may be/have been constituted to exercise its powers including the powers conferred by this Resolution."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to seek any approval that is required in relation to the creation, issuance and allotment and listing of the Securities, from any statutory or regulatory authority or the Stock Exchanges and/ or internationally recognised stock exchanges. Any approvals that may have been applied for by the Board in relation to the creation, issuance and allotment and listing of the Securities are hereby approved and ratified by the members."

By order of the Board
**For Shyam Metalics and Energy Limited**

Sd/-
**Birendra Kumar Jain**
Company Secretary & Compliance Officer
FCS No. 13320

Place: Kolkata
Date: 20th July, 2026

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has, vide its Circular nos. 20/2020, 14/2020, 17/2020, 02/2021, 02/2022, 10/2022, 09/2023, 09/2024, the latest being 03/2025 dated 22nd September, 2025 and relevant circulars issued by Securities and Exchange Board of India ('SEBI') from time to time have permitted holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC"), the 24th Annual General Meeting ("AGM") of the Company is being held through VC/ OAVM without the physical presence of Members at a common venue. The deemed venue for the 24th AGM will be the Registered Office of the Company situated at P-19, (Plate No.: D-403), Taratala Road, CPT Colony, Kolkata- 700088.

2. The Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act'), setting out the material facts concerning the business with respect to Item No(s). 4 & 5 forms part of this Notice. Further, relevant information pursuant to Regulation(s) 36 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and disclosure requirements in terms of Secretarial Standard on General Meetings ('SS-2') issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation and seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as Annexure to this Notice.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Since this AGM is being through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.

4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizer by e-mail at raj@manojbanthia.com with a copy marked to evoting@nsdl.com.

   Alternatively, the Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

6. In case of joint holders attending the AGM through VC/OAVM, only such joint holders who are higher in the order of the names as per the Register of Members of the Company, as on the cut-off date i.e., **Tuesday, 18th August, 2026** will be entitled to vote at the Meeting.

7. In line with the circular issued by MCA & SEBI, the Notice of the AGM along with the Annual Report 2025-26 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants ('DP'). The Company shall send a physical copy of the Annual Report 2025-26 to those Members who request the same at compliance@shyamgroup.com or to the RTA at einward.ris@kfintech.com mentioning their Folio No./DP ID and Client ID In accordance with Regulation 36(1)(b) of the SEBI Listing Regulations, a letter is being sent to the shareholders whose email addresses are not registered with the Company/DP, providing a web-link for accessing the Annual Report 2025-26. The Notice convening the 24th AGM has been uploaded on the website of the Company at www.shyammetalics.com and may also be accessed from the relevant section of the websites of the stock exchanges i.e., BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.

8. During the AGM, the Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Additionally, Members desiring inspection of statutory registers and other relevant documents referred to in the Notice may send their request in writing to the Company at compliance@shyamgroup.com, up to the **date of AGM, i.e. Tuesday, 25th August, 2026** by mentioning their DP ID & Client ID/Folio Number and Mobile No.).

9. Members whose shareholding is in demat mode are requested to notify any change in address or

bank account details to their respective depository participant(s) (DP). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the Circulars. We urge members to utilize the ECS for receiving dividends. Please refer the process to be followed for updating bank account details.

**Note:** As per SEBI requirements, effective 18th November, 2025, Companies are allowed to make dividend payments only in electronic mode. Hence, it is reiterated that Members, whose folios are not updated with PAN, KYC details or Choice of Nomination, are requested to update the above details by submitting the relevant ISR Forms before the cut-off date to ensure timely credit of dividends.

10. Members may note that the Board, at its meeting held on May 11, 2026, has recommended a final dividend of ₹2.70/- per equity share for the financial year ended March 31, 2026. The record date for the purpose of final dividend is **Tuesday, 18th August 2026**. The final dividend, once approved by the members in the ensuing AGM, will be paid within the stipulated timeline prescribed by the Companies Act, 2013. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.

11. **TDS related information**

Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020 and as re-enacted under the Income Tax Act, 2025 (Income Tax Act), dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at the rates prescribed in the Income Tax Act. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act and Rules thereunder.

a. For Resident Members: Tax shall be deducted at source under Section 393(1), Table Sr. No. 7 of the Income Tax Act at 10% on the amount of dividend declared and paid by the Company during FY 2026-27, subject to PAN details registered/ updated by the Member. If PAN is not registered/ updated in the demat account/ folio as on the cut-off date, TDS would be deducted @20% as per Section 397 of the Income Tax Act.

No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the financial year to individual member does not exceed ₹10,000.

In case of individual shareholders, who are mandatorily required to have their PAN-Aadhaar linked and have not done so, their PAN would be considered as inoperative. Such inoperative PANs would be considered as invalid and a higher TDS rate as per Section 397 of the Income Tax Act would be applied. The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking the validity of PANs / inoperative PANs under Section 397 of the Income Tax Act. Further, in cases where the Shareholder provides declaration in Form 121 (applicable to an Individual above the age of 60 years or any person other than a Company or a Firm), provided that the eligibility conditions are being met, no tax at source shall be deducted subject to the PAN of the member not having an 'In-operative' status as per the provisions of Section 262 of the Income Tax Act.

In case PAN of any Member falls under the category of 'In-operative', the Company shall deduct TDS @ 20% as per Section 262 read with section 397 of the Income Tax Act.

Further, in case of resident member having Order under Section 395 of the Income Tax Act, TDS will be deducted at the rate mentioned in the Order; provided the Member submits copy of the Order obtained from the income-tax authorities.

b. For Non-resident Members: Tax at source shall be deducted under Section 393 of the Income Tax Act at the applicable rates. As per the relevant provisions of the Income Tax Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-resident Members.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) under Section 393 of the Income Tax Act. As per Section 159 of the Income Tax Act, Non-resident Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (hereinafter referred to as 'DTAA' or 'Tax Treaty'). To avail the Tax Treaty benefits, the Non-resident Member will have to provide the following:

- Copy of self-declaration in Form 41 filed electronically on the Income Tax portal for FY 2026-27 as per Rule 75 read with Rule 332 of Income Tax Rules, 2026 (along with copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country, of which the shareholder is resident, to be attached as a mandatory online filing requirement) if all the details required in this form are not mentioned in the TRC.
- Copy of valid TRC (for FY 2026-27 or calendar year 2026)
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
- Self-declaration in the format, certifying the following points:
  - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the FY 2026-27;
  - ii. Shareholder has no reason to believe that his/her claim for the benefits of the DTAA is impaired in any manner;
  - iii. Shareholder is the ultimate beneficial owner of his/her shareholding in the Company and dividend receivable from the Company; and
  - iv. Shareholder does not have a taxable presence or a permanent establishment in India during the FY 2026-27.

c. For all Members: In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company, and also provide the Company with all information / documents and co-operation in any proceedings.

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.

In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.

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

The aforementioned documents are required to be sent to the RTA at einward.ris@kfintech.com or to the Company at compliance@shyamgroup.com **on or before 7th August, 2026**. No communication would be accepted from members **after 7th August, 2026**, regarding tax-withholding matters. Shareholders may write to compliance@shyamgroup.com for any clarifications on this subject. TDS certificates in respect of tax deducted, if any, can be subsequently downloaded from the shareholder's portal. Shareholders can also check their tax credit in Form 26AS from the e-filing account at https://www.incometax.gov.in/iec/foportal or "View Your Tax Credit" on https://www.tdscpc.gov.in.

12. Members are requested to address all correspondence, including dividend-related matters, to RTA, KFin Technologies Limited, Unit: Shyam Metalics and Energy Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Contact No.:+91 040 6716 2222, Email id: einward.ris@kfintech.com.

13. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary & Compliance Officer, at the Company's registered office or at compliance@shyamgroup.com. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

14. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed Mr. Raj Kumar Banthia (Membership No. ACS 17190), Partner of M/s. MKB & Associates, Practicing Company Secretaries, as the scrutinizer ("**Scrutinizer**") for conducting the e-voting process in a fair and transparent manner.

15. **Remote e-voting will commence at 9:00 a.m. (IST) on Friday, 21st August, 2026 and will end at 5:00 p.m. (IST) on Monday, 24th August, 2026.**

16. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within 2 (two) working days from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be communicated to the Stock Exchanges, NSDL and RTA, and will also be displayed on the Company's website, www.shyammetalics.com.

17. The facility for e-voting will also be made available during the AGM to the Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting earlier and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

18. Any person holding shares in physical mode or a person, who acquires shares and becomes a member of the Company after the Notice is sent and holding shares as on the cut-off date, i.e. Tuesday, 18th August, 2026 may obtain the login ID and password by sending a request to evoting@nsdl.com. However, if he / she 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.

19. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com, to receive copies of the Annual Report 2025-26 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

| Type of holder | Process to be followed |
|---|---|
| Physical | For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, KFin Technologies Limited either by email to einward.ris@kfintech.com or by post to KFin Technologies Limited, Unit: Shyam Metalics and Energy Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032 |

| Type of holder | Process to be followed | |
|---|---|---|
| | Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode | Form ISR-1 |
| | Update of signature of securities holder | Form ISR-2 |
| | For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 | Form SH – 13 |
| | Declaration to opt out | Form ISR – 3 |
| | Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee | Form SH – 14 |
| | Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical mode | Form ISR – 4 |
| Demat | Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP. | |

Note: All the above-mentioned Forms can be downloaded from the Company's website i.e. www.shyammetalics.com.

20. Effective April 1, 2024, SEBI has mandated that the shareholders, who hold shares in physical mode and whose folios are not updated with any of the KYC details [viz., (i) PAN (ii) Choice of Nomination (iii) Contact Details (iv) Mobile Number (v) Bank Account Details and (vi) Signature], shall be eligible to get dividend only in electronic mode. Accordingly, payment of final dividend, subject to approval at the AGM, shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC by writing to the Company's RTA, KFin Technologies Limited, at einward.ris@kfintech.com. The forms for updating the same are available at www.shyammetalics.com.

21. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before **Friday, 21st August, 2026** through e-mail on compliance@shyamgroup.com. The same will be replied by the Company suitably.

22. Members who would like to express their views or ask questions with respect to the agenda item(s) of the meeting may register themselves as the speaker by sending an email to the company at Compliance@shyamgroup.com from their registered email address, mentioning their names, DP id and client id/folio no. and mobile no., Only those members who have registered themselves as speakers in between 9:00 A.M. 17th August, 2026 till 5:00 P.M. (IST) on 21st August, 2026 will be able to express their views/ask questions/ seek clarification at the meeting. The Company reserves the right to restrict the no. of questions and/or the no. of speakers, depending upon availability of time for smooth conduct of the AGM.

23. The Shareholders can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.

24. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.

25. Book Closure & Dividend

    The Register of Members and the Share Transfer books of the Company will remain closed from **Wednesday, 19th August, 2026 to Tuesday, 25th August, 2026 (both days inclusive)** to determine the shareholders entitled to receive the Dividend as recommended by the Board of Directors for the financial year ended March 31, 2026.

    a) To all beneficial owners in respect of shares held in dematerialized form as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on **Tuesday, 18th August, 2026**.

    b) To all members in respect of shares held in physical form on or before the close of business hours on **Tuesday, 18th August, 2026**.

26. In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **Tuesday, 18th August, 2026** as the **"Cut-off date"** to determine the eligibility to vote by remote e-voting or e-voting at the AGM. Only those people 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, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on cut-off date should treat this Notice for information purpose only.

27. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in name, address, email id, mobile no., PAN, Bank Mandates, demise of any member as soon as possible, etc. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

28. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA for registration of transmission/ transposition, deletion of name, etc.

29. The Securities and Exchange Board of India (SEBI) vide circular dated 20 April, 2018 has also mandated to obtain account details along with cancelled cheque to update the securities holder's data. The original cancelled cheque shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook/statement attested by the bank. The respective DP's (Demat Holding) or the RTA (in case of Physical Holding) shall then update the bank details in its records after due verification. The unpaid dividend shall be paid via electronic bank transfer. In cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment, are not available or the electronic payment instructions have failed or have been rejected by the bank, the issuer companies or their RTA may ask the banker to make payment though physical instrument such as banker's cheque or demand draft to such securities holder incorporating his bank account details. The Company before processing the request for payment of Unclaimed / Unpaid Dividend, has been in practice of obtaining necessary particulars of Bank Account of the Payee.

30. SEBI vide circular nos. SEBI/HO/OIAE/OIAE_IAD1/P/CIR/2023/131 dated July 31, 2023 (updated as on December 20, 2023) and SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 read with master circular no. SEBI/HO/ OIAE/OIAE_IAD1/P/CIR/2023/145

dated August 11, 2023 has established guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA/Company directly and/or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website at https://www.shyammetalics.com/SEBI.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Friday, 21st August, 2026 at 09:00 A.M. and ends on Monday, 24th August, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 18th August, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 18th August, 2026.

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

### Step 1: Access to NSDL e-Voting system

### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below:**

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | 1. 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. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>2. If you are 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<br>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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience.<br>App Store \| Google Play |

| 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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>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 the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. 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. |
| 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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911 |

### B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to raj@manojbanthia.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.com

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@shyamgroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance@shyamgroup.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before **Friday, 21st August, 2026** through e-mail on compliance@shyamgroup.com. The same will be replied by the Company suitably.

6. Members who would like to express their views or ask questions with respect to the agenda item(s) of the meeting may register themselves as the speaker by sending an email to the company at compliance@shyamgroup.com from their registered email address, mentioning their names, DP id and client id/folio no. and mobile no., Only those members who have registered themselves as speakers in between **9:00 A.M. Monday 17th August, 2026 - 5:00 P.M Friday 21st August, 2026** will be able to express their views/ ask questions/seek clarification at the meeting. The Company reserves the right to restrict the no. of questions and/or the no. of speakers, depending upon availability of time for smooth conduct of the AGM.

By order of the Board
**For Shyam Metalics and Energy Limited**

Sd/-
**Birendra Kumar Jain**
Company Secretary & Compliance Officer
FCS No. 13320

Place: Kolkata
Date: 20th July, 2026

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Item No. 4

In accordance with the provisions of Section 148 of the Companies Act, 2013 (Act) read with the Companies (Cost Records and Audit) Rules, 2014 ('Rules'), as amended from time to time, the Company is required to undertake the audit of its cost records for products covered under the Rules. Such cost audit shall be conducted by a Cost Accountant in practice.

M/s. BSS and Associates (Firm Registration Number 001066) [previously known as M/s. Abhimanyu Nayak & Associates, Cost Accountants (Firm Registration Number – 101052)] has been the Cost Auditors of the Company for more than eight years. Considering the past performance of the cost auditors during previous years in examining and verifying the cost accounting records maintained by the Company in line with the requirements of the relevant provisions of the Act and the Rules made thereunder, the Audit Committee of the Company considered and recommended to the Board, the appointment of M/s. BSS and Associates, Cost Accountants as the Cost Auditors of the Company for FY 2026-27, with a remuneration of ₹55,000 plus applicable taxes and reimbursement of out-of-pocket expenses.

Based on the recommendation of the Audit Committee, the Board at its Meeting held on 11th May, 2026, approved the appointment of M/s. BSS and Associates, Cost Accountants Firm Registration Number- 001066, as the Cost Auditors of the Company for the financial year 2026-27 with a remuneration of ₹55,000 (Rupees Fifty-Five Thousand Only) and applicable taxes and reimbursement of out-of-pocket expenses incurred, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

M/s. BSS & Associates, Cost Accountants, have the necessary experience in the field of cost audit and have submitted a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the **Ordinary Resolution** set forth in the item no. 4 for approval of the members of the Company.

### Item No. 5

The Company has been exploring opportunities for its growth which would require sufficient resources including funds to be available and to be allocated, from time to time. The generation of internal funds may not always be adequate to meet all the requirements of the Company's growth plans. It would be therefore, prudent for the Company to have requisite enabling approvals in place and also such other corporate purposes as may be permitted under applicable laws and as may be specified in the appropriate approvals. This would also help the Company to take quick and effective action to capitalize on the opportunities, as and when available.

The Board, accordingly, at their meeting held on July 20, 2026 has recommended to the shareholders to give their consent through special resolution to the Board or any Committee of the Board to raise funds through issuance of securities or any equity based instrument(s) ("**Securities**") as may be appropriate to persons who may or may not be the existing shareholders through private placement and/ or qualified institutions placement ("**QIP**") and/ or rights issue and/ or any other permitted modes at a price to be determined as per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, as amended (the "**SEBI ICDR Regulations**") or as per other applicable rules and regulations, for raising of the funds aggregating up to ₹4,500 crore, or its equivalent in any other currency(ies) under section 62 read with section 179 of the Companies Act, 2013, as amended or other applicable laws. While no specific instrument or instruments of Securities has been identified at this stage, the exact combination of the Securities to be issued, issue price, timing and detailed terms and conditions of issuance etc. shall be finalized by the Board, in consultation with lead managers/ merchant bankers, legal advisors and such other authorities and intermediaries, as may be required to be consulted by the Company in due considerations of prevailing market conditions and other relevant factors and in the best interest of the Company. Such issue shall be subject to the provisions of the Companies Act, 2013, as amended and rules made there under from time to time, the Memorandum and Articles of Association of the Company, SEBI ICDR Regulations and other applicable laws.

The Company proposes to utilize the proceeds from the offering (after adjustment of expenses related to the offering, if any) at various stages for one or more, or any combination of the following: (i) investment in various organic or inorganic growth opportunities, including investing in other companies whether joint ventures, affiliates or otherwise, whether through equity, debt, or any other convertible instrument

(ii) prepayment/repayment of outstanding borrowing of the Company, (iii) to meet the working capital requirements of the Company; (iv) capital expenditure and (v) to strengthen the balance sheet of the Company and for meeting various expenditure of the Company including contingencies and any other general corporate purposes as may be permitted under the applicable laws and as may be decided by the Board or the duly constituted committee thereof. The proposed/actual utilization/deployment of proceeds will be in the manner and as determined by the Board or its duly constituted committee at its discretion and in accordance with the applicable laws. The proceeds from the offering shall be deposited in appropriate money market instruments as per applicable law pending the utilization of proceeds. In view of the above, the Board envisages that the growth and expansion plans may necessitate raising funds.

The enabling resolution is proposed to be passed as a special resolution pursuant to Sections 42 and 62(1)(c) of the Companies Act, 2013. The said resolution, if passed, shall have the effect of allowing the Board on behalf of the Company to issue and allot the securities on pro-rata basis to the existing shareholders or otherwise.

Certain terms of the proposed QIP, in the manner as set out in the resolution vide agenda item no. 5 of this Notice, would be as under:

The Resolution further seeks to empower the Board to undertake a QIP with QIBs as prescribed by SEBI ICDR Regulations. The Board may, in their discretion, adopt this mechanism as prescribed under Chapter VI of the SEBI ICDR Regulations for raising funds for the Company, without seeking fresh approval from the shareholders.

**Maximum Amount to be raised/ number of Securities to be Issued:**

The total amount to be raised, in one or more tranches, by issuance of Securities through any of the modes or combination thereof as mentioned in the resolution would be aggregating up to ₹4,500 crore, or its equivalent in any other currency(ies).

The issue of Securities may be consummated through single or multiple offer documents, in one or more tranches, at such time or times, at such price, at a discount or premium to market price in such manner and on such terms and conditions as the Board or its duly constituted committee may in its absolute discretion decide taking into consideration prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead managers/ merchant bankers and other agencies and subject to the relevant regulations and other applicable laws, regulations, rules and guidelines, in accordance with applicable law.

**Pricing**

The pricing would be arrived at by the Board, depending on market conditions and in accordance with the SEBI ICDR Regulations, or other applicable laws. In the event of a QIP pricing of the Equity Shares that may be issued to QIBs shall be freely determined subject to such price not being less than floor price calculated in accordance with Chapter VI of the SEBI ICDR Regulations, provided that the Company may offer a discount not exceeding 5% of the floor price or such other permissible limit as may be specified under Chapter VI of the SEBI ICDR Regulations.

Since, the pricing and other terms of the QIP will be decided at a later stage, an enabling resolution is being proposed to give adequate flexibility and discretion to the Board or its duly authorised committee to finalize the terms of the securities that may be issued to the qualified institutional buyers in the QIP. The pricing shall be freely determined subject to such price not being less than the price calculated in accordance with Chapter VI of the SEBI ICDR Regulations.

**Relevant Date**

The relevant date for determining the issue price of the Securities by way of QIP, subject to and in accordance with the SEBI ICDR Regulations be:

a) in case of allotment of Equity Shares in a QIP, the date of meeting in which the Board decides to open the proposed issue, and/ or;

b) in case of allotment of eligible convertible securities in a QIP, either the date of the meeting in which the Board decides to open the issue of such convertible Securities or the date on which the holders of such convertible Securities become entitled to apply for the Equity Shares, as may be determined by the Board.

**Change in Control**

There would be no change in control pursuant to the said issue of Securities.

**Class or Classes of persons to whom the Securities will be offered**

The Securities will be offered and issued to such Investors including QIBs who are eligible to acquire such Securities in accordance with the applicable laws, rules regulations and guidelines. The proposed allottees may be resident of India or abroad and whether or not such persons are members.

**Intention of the Promoters, Directors, Key Managerial Personnel or Senior Management**

The Promoters, Directors, KMPs or Senior Management shall not be eligible to subscribe to the proposed issue of Securities, except in accordance with Applicable Laws.

**Transferability of Securities**

The Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on the recognized Stock Exchanges, or except as may be permitted under the SEBI ICDR Regulations from time to time.

**Proposed time within which the allotment shall be completed**

In case of the QIP, the allotment of the Securities shall be completed within a period of 365 days from the date of passing of resolution set out at item no. 5 of this Notice.

The allotment to a single QIB in the proposed QIP issue will not exceed 50% of the total issue size or such other limit as may be permitted under applicable law.

The detailed terms and conditions for the offer will be determined in consultation with the legal advisors, lead managers/ merchant bankers and such other authority or authorities as may be required, considering the prevailing market conditions and other regulatory requirements for various types of issues including rights issue or QIP.

The equity share that may be created, offered, issued and allotted by the Company through QIP shall rank pari passu in all respects with the existing equity shares of the Company, including entitlement to dividend. The equity shares to be allotted would be listed on the stock exchanges where the equity shares of the Company are listed. The offer, issue and allotment of equity shares through QIP would be subject to the receipt of the regulatory approvals, if any.

The Company is yet to identify the investor(s) and decide the quantum of Securities to be issued to them. Hence, the details of the proposed allottees, percentage of post issue of Securities that may be held by them and other details are not available at this point of time and shall be disclosed by the Company under the applicable regulations in due course (at appropriate time and mode). Accordingly, it is proposed to authorize the Board to identify the investor(s), issue such number of Securities, negotiate, finalize and execute such documents and agreements as may be required and do all such acts, deeds and things in this regard for and on behalf of the Company.

The consent of the shareholders is being sought pursuant to the provisions of Sections 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder; Chapter VI of the SEBI ICDR Regulations and in terms of the provisions of the SEBI Listing Regulations, each as amended. This Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot equity shares/ securities to investors who may or may not be the existing shareholders of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are interested or concerned financially or otherwise in this Resolution except to the extent of their respective shareholding in the Company, if any.

The Board recommends the Special Resolution set forth in the item no. 5 for approval of members of the Company.

By order of the Board
**For Shyam Metalics and Energy Limited**

Sd/-
**Birendra Kumar Jain**
Company Secretary & Compliance Officer
FCS No. 13320

Place: Kolkata
Date: 20th July, 2026

## ANNEXURE TO THE NOTICE

**Details of Directors seeking Appointment/Re-appointment at the 24th Annual General Meeting.**

**Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and Secretarial Standard on General Meetings (SS)-2 issued by the Institute of Company Secretaries of India (ICSI)].**

| Categories | Details of Directors |
|---|---|
| Name of the Director | Mr. Sheetij Agarwal |
| Present Appointment in the category of | Whole-time Director |
| Director Identification Number (DIN) | 08212992 |
| Age | 27 years |
| Date of Birth | 14/09/1998 |
| Nationality | Indian |
| Date of first Appointment on the Board | 10/11/2023 |
| Experience (approx.) | 7 Years |
| Qualification | Bachelor of Science in Business Administration from Northeastern University |
| Brief Resume, Job profile and his suitability and Recognition & awards | Mr. Sheetij Agarwal is one of the Promoter Director of the Company and a Third-Generation entrepreneur having more than 7 Years of Experience in Steel & Ferro Alloys industries. He has the foresight to lead the company on a transformational journey in the growth path of the company.<br>He plays a crucial role shaping Shyam Metalics's Global Strategy, focusing on market intelligence, growth opportunities, capital investment and brand alliance. He has been key in expanding the company's presence in both domestic and over 40 international markets. |
| Nature of expertise in specific functional areas | Overlooks and spearheads strategy & Business Development at Shyam Metalics and Energy Limited |
| Terms and Conditions of Appointment / Re-appointment | He is retiring by rotation and offers himself for re-appointment. |
| Details of remuneration sought to be paid | ₹2.40 Crores p.a. |
| Remuneration last drawn in FY 2025-26 | ₹2.40 Crores p.a. |
| Number of Board Meetings attended during the year | 2/4 |
| Comparative remuneration n profile with respect to industry, size of the company, profile of the position and person | The remuneration proposed to be paid to him is fully justifiable and comparable to that prevailing in the industry. |
| Disclosure of relationship with other directors/KMP | He is son of Mr. Brij Bhushan Agarwal, Chairman & Managing Director and nephew of Mr. Sanjay Kumar Agarwal. |
| Shareholding of Director including shareholding as a beneficial owner | Nil |
| List of Directorship in other companies as on 31st March, 2026 | DAMODAR ALUMINIUM PRIVATE LIMITED<br>SS ALUFOILS PRIVATE LIMITED<br>GLOWING REALTY PRIVATE LIMITED<br>DORITE TRACON PVT LTD<br>SUBHAM BUILDWELL PRIVATE LIMITED<br>ALL INDIA FOIL MANUFACTURERS ASSOCIATION<br>SMEL INDUSTRIAL PARK PRIVATE LIMITED<br>NARANTAK DEALCOMM LTD<br>SMEL STEEL STRUCTURAL PRIVATE LIMITED<br>SUBHAM CAPITAL PRIVATE LIMITED |
| Name of Listed Companies from which the Director has resigned in last three years. | None |
| List of Membership/ Chairmanship of Committees of other companies as on 31st March, 2026 | None |
| Skills and capabilities required for the role and manner in which the proposed person meets the requirements | The Nomination & Remuneration Committee has identified his Leadership, Strategy level thinking, Planning and Execution of Projects, Business Development, Management & Corporate Strategy, Administration & Human Resource as his skills and has also evaluated his performance. Mr. Sheetij Agarwal possesses the required skills and capabilities suitable for this role. |

By order of the Board
**For Shyam Metalics and Energy Limited**

Sd/-
**Birendra Kumar Jain**
Company Secretary & Compliance Officer
FCS No. 13320

Place: Kolkata
Date: 20th July, 2026

# BOARD'S REPORT

**Dear Members,**

Your Directors take pleasure in presenting the 24th (Twenty Fourth) Integrated Annual Report along with the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026.

## FINANCIAL HIGHLIGHTS

The highlights of the financial performance of the Company, for the financial year ended March 31, 2026 are as below:

(₹ in Crores)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2025-26 | 2024-25 | 2025-26 | 2024-25 |
| Revenue from operations and other income | 7,103.75 | 6,623.68 | 18,755.82 | 15,389.26 |
| **Earnings before Interest, tax, depreciation and amortisation (EBITDA)** | 1,033.92 | 921.34 | 2,536.65 | 2,096.16 |
| Less: Interest (Finance Cost) | 50.55 | 49.88 | 192.23 | 143.92 |
| Profit before Depreciation/amortization and taxes (PBDAT) | 983.37 | 871.46 | 2,344.42 | 1,952.24 |
| Less: Depreciation and amortization | 239.58 | 211.00 | 882.15 | 711.17 |
| Share in Profit/(Loss) of Associate and Joint Venture | 0.00 | 0.00 | 0.10 | 0.12 |
| Exceptional Items | 0.00 | 0.00 | 0.00 | 0.00 |
| **Profit before tax (PBT)** | **743.79** | **660.46** | **1,462.37** | **1,241.19** |
| Adjustments for taxation | | | | |
| Current Tax | 189.36 | 172.28 | 407.92 | 237.43 |
| Deferred Tax | 1.58 | (1.44) | (5.72) | 94.50 |
| **Profit after tax (PAT)** | **552.85** | **489.62** | **1,060.17** | **909.26** |
| Other comprehensive income for the year | 1.97 | 55.07 | 1.34 | 130.88 |
| **Total comprehensive earning for the year** | **554.82** | **544.69** | **1,061.51** | **1,040.14** |

Note: Figures for the previous periods have been regrouped and reclassified, wherever necessary.

## FINANCIAL PERFORMANCE

The Standalone Revenue from Operations and Other Income for the financial year 2025-26 stood at ₹7,103.75 crores (P.Y ₹6,623.68 crores) representing an increase of 7.25 %. During the financial year ended 31st March, 2026, your Company recorded a profit before tax of ₹743.79 crores as against ₹660.46 crores in previous financial year an increase of 12.62 %. Net profit after tax also increased by 12.91 % at ₹552.85 crores compared to ₹489.62 crores in previous financial year. EBIDTA was increased from ₹921.34 crore in F.Y 2024-25 to ₹1,033.92 crores in F.Y 2025-26.

The Consolidated Revenue from Operations and Other Income has increased from ₹15,389.26 crores in F.Y 2024-25 to ₹18,755.82 crores in F.Y 2025-26 representing a growth of 21.88%. PBT increased from ₹1,241.19 crores in F.Y 2024-25 to ₹1,462.37 crores in the F.Y 2025-26, a growth of 17.82 %. PAT increased from ₹909.26 crores in F.Y 2024-25 to ₹1,060.17 crores in F.Y 2025-26, an increase of 16.60 %. EBIDTA increased from ₹2,096.16 crores in F.Y 2024-25 to ₹2,536.65 crores in F.Y. 2025-26 i.e., an increase of 21.01%.

## TRANSFER TO RESERVES

The Company does not propose to transfer any amount to the reserve from surplus during the current financial year.

## OPERATIONAL HIGHLIGHTS

Brief highlight of the production on Y-O-Y basis of the Company in comparison to the installed capacity is as mentioned below:

### STANDALONE

| Sl. No. | Particulars | F.Y 2025-26 | | | F.Y 2024-25 | | |
|---|---|---|---|---|---|---|---|
| | | Effective Installed Capacity (TPA) | Production (TPA) | Capacity Utilisation (%) | Effective Installed Capacity (TPA) | Production (TPA) | Capacity Utilisation (%) |
| 1. | IRON PELLET | 30,00,000 | 24,13,195 | 80.44% | 30,00,000 | 20,53,145 | 68% |
| 2. | SPONGE IRON | 13,53,000 | 12,19,773 | 90.15% | 13,53,000 | 12,50,898 | 92% |
| 3. | BILLETS | 8,62,480 | 8,99,729 | 104.32% | 8,62,480 | 8,40,043 | 97% |
| 4. | LONG PRODUCT | 9,20,000 | 8,18,252 | 88.94% | 9,20,000 | 7,39,196 | 80% |
| 5. | FERRO PRODUCT | 1,12,000 | 1,02,840 | 91.82% | 1,12,000 | 90,689 | 81% |

### CONSOLIDATED

| Sl. No. | Particulars | F.Y 2025-26 | | | F.Y 2024-25 | | |
|---|---|---|---|---|---|---|---|
| | | Effective Installed Capacity (TPA) | Production (TPA) | Capacity Utilisation (%) | Effective Installed Capacity (TPA) | Production (TPA) | Capacity Utilisation (%) |
| 1. | IRON PELLET | 60,00,000 | 43,64,258 | 73% | 60,00,000 | 38,38,755 | 64% |
| 2. | SPONGE IRON | 30,48,000 | 25,83,691 | 85% | 29,71,409 | 26,62,213 | 88% |
| 3. | BILLETS | 20,06,960 | 18,26,403 | 91% | 20,06,960 | 17,90,277 | 89% |
| 4. | LONG PRODUCT | 20,74,000 | 17,13,689 | 82% | 20,74,000 | 16,28,973 | 78% |
| 5. | FERRO PRODUCT | 2,19,920 | 3,14,040 | 143% | 2,19,920 | 2,83,266 | 128% |
| 6. | ALUMINIUM | 24,000 | 21,627 | 90% | 24,000 | 20,988 | 87% |
| 7. | STAINLESS STEEL | 2,70,000 | 1,98,580 | 74% | 2,20,000 | 1,89,999 | 86% |
| 8. | PIG IRON | 9,20,000 | 9,24,810 | 101% | 3,85,000 | 2,08,196 | 54% |
| 9. | CR COIL / CR | 1,80,000 | 1,72,382 | 96% | 80,000 | 31,488 | 39% |
| 10. | CRASH BARRIER | 18,000 | 8,901 | 49% | - | - | - |

Further, Comparison of Standalone and Consolidated product wise Sales of the Current financial year to the Previous financial year is as mentioned below:

### STANDALONE

| Sl. No. | Particulars | F.Y 2025-26 | | F.Y 2024-25 | |
|---|---|---|---|---|---|
| | | Quantity (Ton) | Amount (₹ In Crores) | Quantity (Ton) | Amount (₹ In Crores) |
| 1. | IRON PELLET | 9,90,725 | 888.24 | 6,35,344 | 544.61 |
| 2. | SPONGE IRON | 4,12,424 | 947.45 | 4,96,408 | 1,243.34 |
| 3. | BILLETS | 87,305 | 331.54 | 1,02,342 | 404.09 |
| 4. | LONG PRODUCT | 7,54,745 | 3,304.21 | 7,10,903 | 3,201.11 |
| 5. | FERRO PRODUCT | 1,02,084 | 861.48 | 55,458.3 | 680.32 |

### CONSOLIDATED

| Sl. No. | Particulars | F.Y 2025-26 | | F.Y 2024-25 | |
|---|---|---|---|---|---|
| | | Quantity (Ton) | Amount (₹ In Crores) | Quantity (Ton) | Amount (₹ In Crores) |
| 1. | IRON PELLET | 11,76,992 | 1,069.33 | 8,41,319 | 727.31 |
| 2. | SPONGE IRON | 9,00,844 | 2,134.05 | 10,13,407 | 2,568.27 |
| 3. | BILLETS | 1,51,054 | 573.80 | 1,74,842 | 693.99 |
| 4. | LONG PRODUCT | 15,48,607 | 6,742.10 | 14,89,068 | 6,710.48 |
| 5. | FERRO PRODUCT | 2,23,494 | 2,097.21 | 1,99,760 | 1,915.74 |
| 6. | ALUMINIUM | 21,620 | 821.15 | 20,791 | 715.27 |
| 7. | STAINLESS STEEL | 94,102 | 1,321.59 | 84,404 | 1,110.63 |
| 8. | CR COIL | 1,54,986 | 1,176.78 | 17,862 | 123.01 |
| 9. | CR SHEETS | 10,321 | 65.31 | 2,397 | 13.97 |
| 10. | PIG IRON | 6,60,237 | 2,240.29 | 94,785 | 320.45 |

During FY'26, production of steel increased by 9.66 % (y-o-y) to hit a record of 5.45 MTPA as against 4.97 MTPA in FY'25, whereas the sales of various steel products during FY'26, also reached the highest ever level of 2.35 MTPA, an increase of 17.50 % (y-o-y) as compared to 2.00 MTPA in FY'25.

On Consolidated basis the production increased from 10.67 MTPA to 12.13 MTPA, a growth of around 13.68 % y-o-y basis, whereas Sales increased from 3.94 MTPA to 4.94 MTPA, a growth of 25.38 % y-o-y basis.

## STATE OF COMPANY'S AFFAIRS

Shyam Metalics and Energy Ltd. is a leading integrated metal producing company with a focus on long steel products, ferro alloys, Aluminium and Stainless Steel. It is amongst the largest producers of ferro alloys in terms of installed capacity and the

fourth-largest player in the sponge iron industry. The Company is primarily engaged in the production of long steel products such as iron pellets, sponge iron, steel billets, TMT, structural products, wire rods, and ferro alloys.

## DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), the Board of Directors of your Company had formulated and approved the Dividend Distribution Policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned. The said Policy may be accessed on the website of the Company at:
https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/cfa3cedd-223c-4878-ac8e-bc3ee2071716-Dividend_Distribution_Policy.pdf.

## DIVIDEND

During the year under review, your Board had initially declared an interim dividend @ 18% (₹1.8/- per equity share) on 22nd July, 2025. The same was paid on 2nd August, 2025.

Further, the Board has recommended final dividend @ 27% (₹2.70/- per equity share) for the Financial Year 2025-26 on 11th May, 2026 after evaluating the financial parameters of the Company and the same to be recommended for the approval of the Shareholders at the ensuing Annual General Meeting of the Company.

The dividend recommendation is in accordance with the Dividend Distribution Policy of the company. Further, in terms of the provisions of the Finance Act, 2020, dividend shall be taxed in the hands of shareholders and the Company shall withhold tax at source at the applicable rates as per the Income Tax Act, 1961.

## CAPEX AND LIQUIDITY

During the period under review, the Company, on a consolidated basis spent ₹8,630 Crores on capital projects largely towards ongoing growth projects in India, essential sustenance and replacement schemes. During the period under review, the board has approved an additional capex cost of ₹2,700 crores by planning to enhance their integrated capacity from 24.20 MTPA to 28.57 MTPA in states of Orissa and West Bengal in phases which will be implemented in Company and their wholly owned step-down subsidiaries to expand its business in near future.

## POWER

During FY'26, the power generation was 375 MW as against 333 MW in FY'25.

## SMEL Employee Stock Incentive Plan – 2023 ("ESIP-2023")

The SMEL Employee Stock Incentive Plan – 2023 ("ESIP-2023") was approved by the Members of the Company through postal ballot on 7th July 2023 and subsequently amended and approved by the Members at their meeting held on 21st September 2023. The ESIP-2023 comprises the following two schemes:

1. SMEL Performance ESOP Scheme ("ESOP-2023"); and
2. SMEL Loyalty ESOP Scheme ("ESOP II-2023").

The schemes provide for grant of stock options to eligible employees of the Company and its subsidiary(ies), including eligible Directors, in accordance with the terms of ESIP-2023 and applicable laws, including the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"). The grant of stock options under ESIP-2023 does not form part of the remuneration payable to any Executive and/or Non-Executive Director.

Under ESOP-2023, the options are subject to vesting over a period of four years in the ratio of 20%, 23%, 23% and 34% on the first, second, third and fourth anniversaries, respectively, of the respective grant dates. Under ESOP II-2023, the options vest over a period of three years in the ratio of 40%, 30% and 30% on the first, second and third anniversaries, respectively.

During the Financial Year 2025-26, the following transactions were undertaken under ESIP-2023:

Grant of Stock Options

At its meeting held on 29th August 2025, the Nomination and Remuneration Committee granted 1,04,500 fresh stock options to five (5) eligible employees under ESOP-2023 at an exercise price of ₹679.43 per option, representing a discount of 25% to the prevailing market price.

Vesting of Stock Options

During the year, the second tranche of options vested on the second anniversary of the respective grant dates, as under:

- On 25th September 2025, 1,38,598 options, representing 23% of the respective grants, vested in favour of 41 eligible employees under ESOP-2023.
- On 27th September 2025, 3,910 options, representing 23% of the grant, vested in favour of one (1) eligible employee under ESOP-2023; and 57,900 options, representing 30% of the grant, vested in favour of five (5) eligible employees under ESOP II-2023.

Exercise of Stock Options

On 24th January 2026, four (4) eligible employees exercised an aggregate of 57,900 vested options arising from the second-anniversary vesting cycle under ESOP II-2023.

Out of the above, the following Directors exercised their vested options under ESOP II-2023:

- Mr. Deepak Agarwal – 20,700 stock options
- Mr. Dev Kumar Tiwari – 15,600 stock options

The necessary accounting treatment in respect of the aforesaid transactions has been made in the books of account for the respective periods. The accounting policy and relevant disclosures in accordance with Ind AS 102 – Share-based Payment have been provided in the respective notes to the Standalone and Consolidated Financial Statements.

Further, the disclosures in terms of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and under Regulation 14 of the SEBI SBEB & SE Regulations are available on the website of the Company. The Company has also obtained a certificate from M/s MKB & Associates, Secretarial Auditor, confirming that the ESIP-2023, comprising ESOP-2023 and ESOP II-2023, has been implemented in accordance with the SEBI SBEB & SE Regulations and the resolutions passed by the Members. The said certificate shall be available for electronic inspection by the Members during the ensuing Annual General Meeting.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS

There have been no material change(s) and commitment(s), except elsewhere stated in this report, affecting the financial position of the Company between the end of the financial year of the Company i.e. March 31, 2026 and the date of this Report.

There has been no change in the nature of business of the Company during the financial year ended on March 31, 2026.

## CREDIT RATING

The Company has updated the financial credit rating to AA+ (Stable) for long term banking facilities and A1+ for short term banking facilities by CRISIL. The rating emphasizes the financial strength of the Company in terms of the highest safety with regard to timely fulfilment of its financial obligations.

The above rating continues to draw strength from promoter's experience, operational efficiency by virtue of having an integrated plant, production of value-added products fetching higher margins, increasing profit levels and moderate its financial position.

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 ("the Act"), the SEBI Listing Regulations and Ind AS, the Audited Consolidated Financial Statements are provided in the Annual Report.

## SHARE CAPITAL

During the FY' 2025-26, there was no change in the Authorised Share Capital of the Company. The Authorised Share Capital of the Company is ₹4,00,00,00,000/- (Rupees Four Hundred Crores) divided into 40,00,00,000 Equity Shares of ₹10/- each.

There has been no change in the Paid-Up Capital of the Company as on 31st March, 2026. The Paid-Up Capital of the Company is ₹2,79,13,18,530/- (Rupees Two Hundred Seventy-Nine Crore Thirteen Lacs Eighteen Thousand Five Hundred And Thirty) divided into 27,91,31,853 Equity Shares of ₹10/- each.

## SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES

During the financial year 2025-26, Shyam SEL and Power Limited (SSPL) was the Material Wholly Owned Subsidiary pursuant to Regulation 16 of the SEBI Listing Regulations.

As on 31st March, 2026, following are the step-down subsidiaries of the company:

1. Shyam Energy Limited
2. Shree Venkateshwara Electrocast Private Limited
3. Ramsarup Industries Limited
4. Shyam Metalics International DMCC
5. S S Natural Resources Private Limited
6. Meadow Housing Private Limited
7. Whispering Developers Private Limited
8. Nirjhar Commodities Private Limited
9. Shree Sikhar Iron & Steel Private Limited
10. SMEL Steel Structural Private Ltd.
11. Star Metalworks Private Limited

Consequent upon the purchase of the entire stake of Star Metalworks Private Limited by Shyam SEL and Power Limited (SSPL) on 29th October, 2025, it has become the wholly-owned subsidiary of SSPL and Step-down subsidiary of SMEL.

Consequent upon acquisition of 26% Equity Share Capital in Emerge Solar Projects Private Limited ("ESPPL") by Shyam SEL and Power Limited on 14th August, 2025, it has become an Associate Company of SSPL.

An application was filed with the National Company Law Tribunal (NCLT), Kolkata Bench, on 3rd November, 2025, seeking approval for the Scheme of Amalgamation of Shree Venkateshwara Electrocast Private Limited, a step-down subsidiary of the Company, with and into Shyam SEL & Power Limited (SSPL), a material wholly owned subsidiary of the Company.

Board of Directors, at its meeting held on 24th January, 2026, approved the voluntary liquidation of Shyam Metalics International DMCC, incorporated in Dubai, UAE, being a wholly owned subsidiary of Shyam SEL & Power Limited and consequently a step-down subsidiary of the Company.

The Company has one Associate namely, Meghana Vyapaar Private Limited and other Associates namely Kolhan Complex Private Limited and Emerge Solar Projects Private Limited through its subsidiary, SSPL.

The Company has one Joint Venture namely MJSJ Coal Limited and another Joint Venture namely Kalinga Energy & Power Limited through its subsidiary, SSPL.

During the year under review, the Board of Directors reviewed the affairs of its subsidiaries. There has been no material change in the nature of the business of the subsidiaries.

A separate statement containing performance and highlights of Financial Statements of subsidiaries, associates and joint ventures is provided in the prescribed **Form AOC-1** as **Annexure - I** and is annexed to this report pursuant to Section 129(3) of the Act read with Rule 5 of the companies (Accounts) Rules, 2014.

Pursuant to the provision of section 136 of the Act, the Audited Standalone and Consolidated financial statements of the company for the financial year ended 31st March 2026 along with relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company at https://shyammetalics.com.

There have been no joint ventures and associates during the year under review that have become or ceased to be the joint ventures and associates, except of the companies mentioned above.

The Company has formulated a policy for determining "Material Subsidiary" in terms of Regulation 16(c) of SEBI Listing Regulations. The policy may be accessed on the website of the Company at: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b4f4e630-3c03-4fc5-8b99-db91016084e0-Policy-for-determining-Material-Subsidiaries.pdf

## DIRECTORS

During the period under review, Mr. Mahabir Prasad Agarwal (DIN: 00235780) relinquished his position as Chairman and Non-Executive Director of the Company with effect from the close of business hours on May 9, 2025.

The Board places on record its sincere appreciation for the extraordinary contribution of Mr. Agarwal, whose vision, entrepreneurial spirit and steadfast leadership laid the foundation of the Company and guided its growth over the years. His strategic direction, commitment to excellence and enduring values have been instrumental in shaping the Company into a diversified and respected enterprise, creating sustainable value for all stakeholders.

As a mark of deep respect and recognition of his remarkable contribution to the Company's growth and success, the Board had conferred upon him the honorary designation of "Chairman Emeritus". This distinction reflects the Board's gratitude for his invaluable guidance and leadership. While the position does not involve any executive authority or management responsibilities, the Board has resolved to continue inviting Mr. Agarwal to attend all Board Meetings during his lifetime, enabling the Company to benefit from his rich experience, wisdom and counsel.

The members had approved the appointment of Mr. Brij Bhushan Agarwal (DIN: 01125056) as Chairman and Managing Director of the Company on 5th July 2025 by means of Postal Ballot, pursuant to his appointment as Executive Chairman by the Board at its meeting held on May 9, 2025, based on the recommendation of the Nomination and Remuneration Committee.

Mr. Brij Bhushan Agarwal has been associated with the Company's growth journey since inception and has played a significant role in driving its strategic direction, operational performance and long-term value creation. His extensive industry experience, strong business acumen and deep understanding of the Company's operations have enabled the organization to achieve sustained growth and strengthen its position across its businesses.

The consolidation of leadership responsibilities under the office of the Chairman and Managing Director reflects the Company's commitment to ensuring cohesive leadership, enhanced strategic execution and greater organizational agility. The Board is confident that under Mr. Brij Bhushan Agarwal's stewardship, the Company will continue to pursue its growth aspirations, capitalize on emerging opportunities and create enduring value for all stakeholders.

During the financial year under review, there has been the following changes in the composition of the Board:

1. The Members had approved the re-appointment of Mrs. Rajni Mishra (DIN: 07706571) as an Independent Director of the Company for a second consecutive term of five years commencing from February 12, 2026 to February 11, 2031, pursuant to the approval accorded by the Board of Directors at its meeting held on November 7, 2025, based on the recommendation of the Nomination and Remuneration Committee.

   Mrs. Rajni Mishra is a qualified Company Secretary and a distinguished corporate governance professional with extensive experience in company law, regulatory compliance, strategic management and board governance. Having held leadership positions in listed companies and served as an Independent Director on the boards of reputed organizations, she brings valuable expertise in governance, corporate restructuring, sustainability and stakeholder engagement. The Board is of the view that her rich professional experience, sound judgment and deep understanding of regulatory and governance matters will continue to provide valuable guidance to the Board and contribute significantly towards strengthening the Company's governance framework and achieving its long-term strategic objectives.

2. The Members had approved the appointment of Mr. Subrata Bhattacharya (DIN: 03050155) as an Independent Director of the Company for a first term of five consecutive years commencing from February 1, 2026 to January 31, 2031, through a Postal Ballot on March 13, 2026 pursuant to the approval accorded by the Board of Directors at its meeting held on January 24, 2026, based on the recommendation of the Nomination and Remuneration Committee, wherein he was appointed as an Additional Director in the category of Independent Director.

   Mr. Subrata Bhattacharya is a highly accomplished metallurgical professional with over 39 years of extensive experience in the steel and stainless-steel industry, encompassing operations, research and development, sales and marketing, procurement, projects and international business. Having held senior leadership positions in reputed steel companies, including directorial roles in leading stainless-steel organizations, he brings significant industry expertise, strategic insight and business acumen to the Board. The Board is of the opinion that his rich experience, professional competence and integrity will further strengthen the Board's composition and contribute meaningfully to the Company's growth and governance objectives.

3. Mr. Malay Kumar De (DIN: 00117655), Independent Director had resigned from the directorship of the company w.e.f 20th May, 2025 due to personal commitments and other professional pre-occupations.

In terms of the provisions of Section 152 of the Act read with the Articles of Association of the Company, Sheetij Agarwal (DIN: 08212992), Director retires by rotation and being eligible, offer themselves for re-appointment. Members approval is being sought at the ensuing AGM for their re-appointment.

Members of the Company had approved by mean of postal Ballot on 23rd December 2025, the Revision in Remuneration of Mr. Sheetij Agarwal (DIN: 08212992) and Mr. Dev Kumar Tiwari (DIN: 02432511), Whole Time Directors of the Company, for the existing terms w.e.f. 1st April, 2026 till 9th November, 2028 and w.e.f. 1st April, 2025 till 27th March, 2027 respectively. The revised remuneration structure was approved by the Board based on the recommendation of the Nomination and Remuneration Committee.

During the financial year under review, Mr. Brij Bhushan Agarwal, Chairman & Managing Director of the Company, has received a remuneration of ₹2.65 crores from the Company. Further, he has also drawn a remuneration of ₹2.70 crores from M/s, Shyam Sel and Power Limited, the wholly owned material subsidiary.

During the financial year under review, Mr. Sanjay Kumar Agarwal, Joint Managing Director, of the Company has received a remuneration of ₹67.50 lakhs from the Company. Further, he has also drawn a remuneration of ₹69 lakhs from M/s. Shyam Sel and Power Limited, the wholly owned material subsidiary.

During the period under Review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transaction with the Company, other than the sitting fees and commission, as applicable, received by them.

As on 31st March, 2026 and in terms of Section 149 of the Companies Act, 2013 Mr. Kishan Gopal Baldwa, Mr. Nand Gopal Khaitan, Mr. Subrata Bhattacharya, Mr. Shashi Kumar, Mr. Chandra Shekhar Verma and Ms. Rajni Mishra are the Independent Directors of the Company.

In the opinion of the Board, all the Directors possess the requisite qualification, experience and expertise and hold high standards of integrity. The list of key skills, expertise and core competencies of the Board is provided in the Corporate Governance Report forming part of this Report. All the Independent Directors are exempt from the requirement of passing the proficiency test.

## KEY MANAGERIAL PERSONNEL'S (KMP)

In terms of Section 203 of the Companies Act, 2013, following are the KMPs of the Company as on 31st March, 2026:

a) Mr. Brij Bhushan Agarwal - Chairman and Managing Director
b) Mr. Sanjay Kumar Agarwal - Joint Managing Director
c) Mr. Deepak Agarwal - Whole-Time Director & Chief Financial Officer
d) Mr. Sheetij Agarwal - Whole-time Director
e) Mr. Dev Kumar Tiwari – Whole-time Director
f) Mr. Birendra Kumar Jain – Company Secretary

Apart from the changes mentioned in Directors, there were no changes in Key Managerial Personnel of the Company during the year under review.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the declarations from each of the Independent Directors that they, respectively, meet the criteria of independence prescribed under Section 149 read with Schedule IV of the Act and rules made thereunder, as well as Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations. Based on the declarations received, the Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfil the criteria of independence and are independent from the management.

In terms of Section 150 of the Companies Act, 2013 and rules framed thereunder, the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA) and has confirmed to comply with the requirements of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), within the prescribed timeline.

## PERFORMANCE EVALUATION

The Company recognizes that a robust performance evaluation framework is an essential element of good

corporate governance and contributes significantly towards enhancing the effectiveness of the Board and its Committees. Accordingly, an annual evaluation exercise was undertaken during the year in respect of:

- The Board of Directors as a whole
- Various Committees of the Board
- Individual Directors, including the Chairman of the Board

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the applicable provisions of the SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by SEBI, the Company carried out a comprehensive evaluation of the performance of the Board, its Committees and individual Directors for the financial year ended 31st March, 2026.

The evaluation framework was designed to assess the overall effectiveness of the Board in discharging its responsibilities and providing strategic direction to the Company. The assessment also focused on the functioning and effectiveness of various Board Committees, quality of deliberations, decision-making processes, governance standards, and the contribution made by individual Directors towards the achievement of the Company's objectives.

The evaluation of Directors included an assessment of their participation in Board and Committee meetings, understanding of the business and industry environment, contribution to strategic discussions, guidance provided to management, and commitment towards safeguarding the interests of all stakeholders.

The evaluation process was conducted internally through structured questionnaires covering various qualitative and quantitative parameters. The Directors submitted their responses independently and confidentially using a predefined rating mechanism. The feedback received was reviewed and deliberated upon by the Independent Directors at their separate meeting, following which their observations and recommendations were placed before the Chairman of the Nomination and Remuneration Committee ("NRC").

The Independent Directors reviewed the performance of the Chairman, Non-Independent Directors and the Board as a whole at their separate meeting held on 30th March, 2026. Thereafter, the NRC, at its meeting held on 9th May, 2026, considered the evaluation outcome done by Independent Directors and submitted its recommendations to the Board.

The Board of Directors, at its meeting held on 11th May, 2026, noted and discuss the evaluation done by Independent Directors as recommended by NRC and also discussed the evaluation results relating to its own performance, that of its Committees and individual Directors. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Directors whose performance was being evaluated.

Based on the evaluation exercise and the recommendations received, the Board noted that its composition, functioning and governance processes continue to remain effective and are aligned with the Company's long-term strategic objectives. The Board also expressed satisfaction with the evaluation process and its outcomes.

## INDEPENDENT DIRECTORS MEETING

The Independent Directors held separate meetings on 23rd January, 2026 and 30th March 2026, in the absence of the Non-Independent Directors and the managerial personnel. The meetings provided an opportunity to review and assess the overall effectiveness of the Board, its committees and individual Directors, including the Chairman of the Company.

The Independent Directors also examined the quality, sufficiency and timeliness of information flow from the management to the Board and its Committees and considered whether such information enabled the Directors to effectively discharge their fiduciary and governance responsibilities. The deliberations further covered various matters relating to Board processes, governance standards and the overall functioning of the Board.

## FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The details of the training and familiarization program are provided in the Corporate Governance Report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is available on our website, at https://shyammetalics.com/static/media/familiarisation-programme_2024-25.153a9c1a4002c9e440f8.pdf

## BOARD AND COMMITTEES OF THE BOARD

### Board Meetings:

The Board of Directors met 4 (four) times during the period under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Listing Regulations. For further details, please refer to the Report on Corporate Governance, which forms a part of this Annual Report.

### Committee of the Board:

Pursuant to the various requirements under the Act and the SEBI Listing Regulations and to focus on specific areas and make informed decisions in line with the delegated authority, the Board of Directors has constituted the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Executive Committee

Details of composition, terms of reference and number of meetings held for respective Committees are given in the Report on Corporate Governance, which forms a part of this Annual Report.

## LISTING ON STOCK EXCHANGES

The Company's shares are listed on Bombay Stock Exchange Limited (BSE) with scrip code: 543299 and the National Stock Exchange of India Limited (NSE) with scrip code SHYAMMETL. The Company has paid the requisite listing fees to the Stock Exchanges for the financial year 2025-26.

As on the date of this report there were 27,91,31,853 of Equity Shares of the Company Listed on the above Stock Exchanges.

## DEPOSITS

The Company has not accepted/received any deposits during the year under report, falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

## RELATED PARTY TRANSACTIONS

In terms of Section 188 of the Act read with rules framed thereunder and Regulation 23 of the SEBI Listing Regulations, your Company has in place Related Party Transactions Policy dealing with related party transactions. The policy may be accessed at: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b212d826-d07b-49fc-8046-18f8de33ac1b-Related%20Party%20Transaction_Policy.pdf.

During the year under review, all related party transactions entered by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus 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 Companies Act, 2013. There were no materially significant related party transactions made by the Company during the year that would have required the approval of the shareholders under Regulation 23 of the SEBI Listing Regulations.

The Company did not enter into any contracts, arrangements or transactions with related parties that fall under the scope of Section 188(1) of the Companies Act, 2013. As required under the Act, the prescribed Form AOC-2 is appended as **Annexure-II** to the Board's report.

Details of related party transactions entered by the Company, in terms of Ind AS-24 have been disclosed in the notes to the standalone/consolidated financial statements forming part of this Annual Accounts 2025-26.

## PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

Details of Loans, Guarantees, Securities and Investments covered under the provisions of Section 186 of the Act are given in the note no. 7 to the Standalone Financial Statement.

## CODE OF CONDUCT

The Code of Conduct is based on the principle that business should be conducted in a professional manner with honesty and integrity and thereby enhancing the reputation of the company. The Code ensures lawful and ethical conduct in all affairs and dealing of the company.

The same can be accessed on the Company's website at weblink: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/abbe0fa8-bd51-434f-89ec-33801f5500a6-SMEL_Policy-Doc_Code-of-Conduct.pdf

## SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

## NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations, the policy on Nomination and Remuneration of Directors, KMPs and Senior Management of your Company and the criteria for determining qualifications, positive attributes and Independence of a director as specified in the relevant provision is uploaded on the website of the Company and may be accessed at: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c5246fa2-61db-401e-9299-1e9e289b4312-Nomination-and-Remuneration-Policy.pdf.

The salient features of the Nomination & Remuneration Policy of the Company are provided herein-under:

- The Policy outlines clear and transparent criteria for the appointment of Directors, taking into consideration factors such as professional qualifications, relevant experience, integrity, time commitment, and governance capabilities.
- It prescribes a structured recruitment process for Senior Management Personnel, ensuring alignment with organizational requirements and strategic objectives.
- It defines the components of remuneration for Directors, Senior Management, and other employees, along with the guiding principles and factors for determining such remuneration.

- It incorporates remuneration benchmarking practices to ensure competitiveness and support the retention of high-performing talent across the organization.
- The Policy provides for the grant of Employee Stock Options (ESOPs) to eligible employees, including Key Managerial Personnel (KMPs), based on performance, subject to the approval of the Nomination and Remuneration Committee and in compliance with applicable legal and regulatory provisions.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, from time to time, a statement showing the names and other particulars of the top ten employees and the employees drawing remuneration in excess of the limits set out in the said rules and the disclosures relating to remuneration and other details required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-III** to this report.

## STATUTORY AUDITORS AND AUDIT REPORTS

M/s. MSKA & Associates, Chartered Accountants was appointed as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 21st Annual General Meeting till the conclusion of 26th Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors from time to time in consultation with the Auditors.

The Auditors Report to the shareholders for the year under review does not contain any qualification or adverse remarks. No fraud has been reported by the Auditors to the Audit Committee of the Company or to the Board. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for further comments.

## INTERNAL AUDITORS

In terms of the provisions of section 138 of the Companies Act, 2013, M/s Ernst & Young LLP were appointed as the Internal Auditors for FY 2025-26. The Audit Committee in consultation with the Internal Auditors formulates the scope, functioning, periodicity and methodology for conducting the Internal Audit. The reports and deviations are regularly discussed with the management and actions are taken, whenever necessary and in parallel, the Audit Committee, inter-alia, reviews the Internal Audit Report.

## INTERNAL FINANCIAL CONTROLS

The Company has established a comprehensive framework of internal financial controls commensurate with the size, scale and complexity of its operations. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting, compliance with applicable laws and regulations, safeguarding of assets, and the efficient conduct of business activities.

The internal control framework encompasses well-defined policies, procedures and monitoring mechanisms aimed at ensuring the integrity of financial and operational processes, prevention and detection of frauds and irregularities, maintenance of accurate accounting records, and timely preparation of reliable financial information and disclosures.

The Audit Committee, on behalf of the Board, periodically evaluates the adequacy and effectiveness of the Company's internal control environment and recommends measures for its continual strengthening and enhancement. The Committee also reviews key aspects relating to budgetary controls, cost management, financial discipline, accounting processes, risk mitigation measures and physical verification systems to ensure robust governance and operational efficiency.

During the financial year under review, the effectiveness of the internal financial controls, including controls over financial reporting, was assessed and reviewed. Based on such review, no material weakness or significant deficiency in the design or operating effectiveness of the internal financial control system was identified.

## SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the amended provisions of Regulation 24A of SEBI Listing Regulations, the Members of the Company at the Annual General Meeting held on 26th August, 2025 approved the appointment of M/s. MKB & Associates, (FRN: P2010WB042700) a firm of Company Secretaries in Practice, as Secretarial Auditors of the Company to conduct secretarial audit for a period of 5 (Five) years commencing from FY 2025-26 to FY 2029-30.

FCS Mukesh Chaturvedi, Practicing Company Secretaries (COP No:3390) had undertaken secretarial audit of the Company's material unlisted wholly owned subsidiary i.e., Shyam Sel and Power Limited (SSPL) for FY 2025-26.

The Secretarial Audit Reports issued by M/s. MKB & Associates, Practising Company Secretaries, for the Company and FCS Mukesh Chaturvedi, Practicing Company Secretary for Shyam Sel and Power Limited, are annexed herewith as **Annexure-IV A and Annexure-IV B** to the Report.

The report of the Secretarial Auditors is self-explanatory, and it does not contain any qualification, reservation, adverse remark or disclaimer in the report issued by M/s. MKB & Associates, Company Secretaries.

The Board of Directors of Shyam Sel and Power Limited has re-appointed **FCS Mukesh Chaturvedi, Practicing Company Secretary**, as the Secretarial Auditor of **Shyam Sel and Power Limited**, the Company's material unlisted Wholly Owned Subsidiary, for the financial year 2025–26.

## COST AUDITORS AND COST AUDIT REPORT

M/s. BSS & Associates (FRN: 001066), Cost Accountants, the Cost Auditors of the Company submitted the cost Audit Report for the year 2024-25 within the time limit prescribed under the Act and Rules made thereunder.

During the period under review, pursuant to Section 148 of the Act read with Rules framed thereunder, the Board had appointed M/s. BSS & Associates (FRN: 001066), Cost Accountants to conduct the Audit of the cost records of the company for the financial year 2025-26. The Report of Cost Auditors for the Financial Year ended March 31, 2026 is under finalisation and will be filed with MCA within prescribed time.

The Board of Directors, on recommendation of Audit Committee appointed M/s. BSS & Associates (FRN: 001066), Cost Accountants, as the Cost Auditors of the Company for auditing the cost records of the Company for the financial year 2026-27, subject to the ratification of remuneration by the Shareholders of the Company in the 24th AGM of the Company. Accordingly, an appropriate resolution seeking ratification of the remuneration of ₹55,000/- plus applicable taxes and actual out of pocket expenses incurred in connection with the cost audit for the financial year 2026-27 will be included in the Notice convening the 24th AGM of the Company. The company has received the necessary declaration and consent from the partner, Mr Abhimanyu Nayak (FCMA No. 30656) on behalf of M/s. BSS & Associates (FRN: 001066), Cost Accountants.

## MAINTENANCE OF COST RECORDS

The Company is duly maintaining the cost accounts and records as specified by the Central Government in compliance with Section 148 of the Act read with the Rules made thereunder, as amended.

## REPORTING OF FRAUD

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

## RISK MANAGEMENT

The Risk Management Committee of the Board of Directors of the Company is entrusted with assisting the Board in discharging its responsibilities towards management of material business risk (material business risks include but is not limited to operational, financial, sustainability, compliance, strategic, ethical, reputational, product quality, human resource, industry, legislative or regulatory and market related risks) including monitoring and reviewing of the risk management plan / policies in accordance with the provisions of SEBI Listing Regulations.

As on 31st March 2026, the Risk Management Committee comprised of Mr. Kishan Gopal Baldwa as Chairman, Mr. Brij Bhushan Agarwal and Mr. Deepak Agarwal as Members.

The Company also has a Risk Management Policy which lays down the framework for identification and mitigation of various risks. The specific objective of this Policy is to assess risks in the internal and external environments and incorporates mitigation plans in its business strategy and operation plans. Based on the recommendation of the Risk Management Committee, the Board of Directors revised the Risk Management Policy during the year.

The Risk Management Framework is reviewed periodically by the Audit Committee and Risk Management Committee of the Board. The Board has not identified any material risk which, in its opinion, may threaten the existence of the Company.

## HUMAN RESOURCES

The Company firmly believes that its employees are the cornerstone of its sustained growth and competitive strength. Building a capable, motivated and future-ready workforce remains a key priority, and the Company continues to invest in initiatives aimed at attracting, nurturing and retaining high-calibre talent across its operations.

A well-defined talent acquisition process enables the Company to identify individuals whose skills, values and aspirations align with its long-term business objectives. In addition to meeting current operational requirements, the recruitment strategy focuses on developing a strong leadership pipeline and enhancing organizational capabilities for future growth.

Learning and development continue to be integral components of the Company's human resource strategy. Through its dedicated training infrastructure and structured development programmes, employees are provided opportunities to enhance their technical competencies, managerial capabilities and leadership skills. Training interventions are periodically designed and implemented based on business priorities, functional requirements and individual development needs.

The Company is committed to fostering a collaborative, inclusive and performance-driven work culture where employees are encouraged to take initiative, embrace innovation and contribute meaningfully towards organizational success. By aligning individual goals with corporate objectives, the Company seeks to create an environment that promotes professional growth, accountability and excellence.

To support employee development and recognize merit, the Company has implemented a robust performance management framework that facilitates objective assessment of performance, identification of high-potential talent and planning for career advancement. The framework also supports succession planning and capability-building initiatives across various levels of the organization.

The Company's continued focus on employee engagement, capability enhancement and leadership development has enabled it to build a resilient and agile workforce that remains well-positioned to support its strategic ambitions and long-term sustainable growth.

## CORPORATE SOCIAL RESPONSIBILITY

The Company believes that sustainable business growth is intrinsically linked with the socio-economic development of the communities in which it operates. Guided by this philosophy, the Company remains committed to creating long-term value for society through meaningful and inclusive development initiatives aimed at improving the quality of life of underprivileged and vulnerable sections of the community.

The Company's Corporate Social Responsibility ("CSR") initiatives are implemented through the Shyam Metalics Foundation and are focused on a broad spectrum of developmental areas, including education, healthcare, women empowerment, sports promotion, skill development, livelihood enhancement, environmental sustainability and community welfare. Through these initiatives, the Company strives to contribute towards nation-building while fostering inclusive and sustainable growth.

To ensure effective governance and oversight of CSR activities, the Company has established a structured framework involving active participation of the Board of Directors, the CSR Committee and the Shyam Metalics Foundation. The CSR Policy of the Company provides the guiding principles and implementation framework for undertaking CSR programmes in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder. Based on the recommendations of the CSR Committee, the Board periodically reviews and approves the CSR initiatives and monitors their implementation and effectiveness.

The Company maintains robust processes for project selection, due diligence, implementation, monitoring and reporting to ensure transparency, accountability and optimum utilization of resources. The CSR Policy is available on the Company's website at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/63e3ceac-06e0-4038-a662-8fdaeb129e4a-SMEL_Policy-Doc_CSR-Policy.pdf.

The Annual Report on CSR activities for the financial year 2025-26, as required under the Companies Act, 2013, forms part of this Report as **Annexure – V**.

Pursuant to the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company undertook an independent impact assessment of its major CSR projects. Accordingly, the Board appointed Median Research & Consulting Pvt. Ltd., an independent external agency, to evaluate the impact of selected CSR interventions implemented during the financial year 2024-25.

The impact assessment study highlighted the positive outcomes generated through the Company's CSR initiatives across various focus areas, including education, healthcare, water and sanitation, environmental sustainability, skill development, promotion of sports and culture, livelihood enhancement and animal welfare. The assessment observed measurable improvements and meaningful social impact across the communities and locations covered under the Company's CSR programmes.

The CSR Committee and the Board of Directors reviewed and took note of the findings of the Impact Assessment Report at their respective meetings held on 9th May, 2026 and 11th May, 2026. The detailed Impact Assessment Report is available on the Company's website for the information of stakeholders at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/253994cc-088c-4729-8179-a3c28e6f7303-SMEL%20-%20CSR%20Impact%20Assessment%20Report%20FY2024-2025.pdf

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars related to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure-VI** to this Report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material order(s) passed by the regulators/ courts which would impact the going concern status of the Company and its future operations during the year under review.

## ANY APPLICATION/PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

## DIRECTORS RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls (IFCs) and Compliance Systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors including the audit of IFCs over financial reporting by the Statutory Auditors and reviews performed by the management and the relevant Board Committees, including the Audit Committee, The Board is of the opinion that the Company's IFCs are adequate and effective during F.Y 2025-26.

Accordingly, pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, and as per Schedule II Part C of the SEBI Listing Regulations, the Board of Directors, to the best of its knowledge and ability confirms that:

(a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation and there are no material departures;

(b) the Directors have 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 your Company as at the end of the financial year and of the profit of the Company for year under review;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## OTHER INFORMATION

### CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements as set out in Regulation 17 to Regulation 27 of the SEBI Listing Regulations. The report on Corporate Governance, for the financial year ended 31st March, 2026, as stipulated in Regulation 34 read with Schedule V of the SEBI Listing Regulations forms an integral part of this Annual Report.

The certificate received from M/s. KPA & CO. LLP, Practising Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34 read with Schedule V of the SEBI Listing Regulations is annexed to the Corporate Governance Report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In compliance with Regulation 34(2)(f) of SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR), together with the Report on assurance of the BRSR Core issued by an Independent Assurance provider, is being presented to the stakeholders as a part of this Integrated Report describing initiatives undertaken from an environmental, social and governance perspective.

The Board reviews the Company's BRSR and BRSR Core disclosures to satisfy itself regarding their completeness, reliability and alignment with the Company's governance framework, risk management processes and sustainability priorities.

The Policy on Business Responsibility and Sustainability Report (BRSR) has been uploaded on the website of the Company at www.shyammetalics.com and is available at the link https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/9a24e298-d453-4e7a-9437-ae8746920636-Business-Responsibility-Policy.pdf .

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate section titled "Management Discussion and Analysis Report" (MDA), forms part of the Annual Report.

## ANNUAL RETURN

In accordance with the provisions of Sections 92 and 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2026 has been uploaded on the website of the Company on the following link: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/ed96167e-e96c-4e46-85e1-4db3bc58b84a-AC5025703.pdf

## WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company is committed to maintaining the highest standards of ethical conduct, integrity, transparency and accountability in all its business activities. In compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Whistle Blower Policy and Vigil Mechanism.

The Vigil Mechanism provides a secure and confidential platform for employees, Directors and other eligible stakeholders to report genuine concerns relating to unethical conduct, suspected or actual fraud, violations of applicable laws, regulations, the Company's Code of Conduct, or any other improper practices that may adversely affect the interests of the Company and its stakeholders.

The mechanism is designed to ensure that all concerns are addressed in a fair, transparent and impartial manner.

It incorporates adequate safeguards against retaliation, discrimination or victimisation of any person who reports concerns in good faith. The Policy also provides for direct access to the Chairperson of the Audit Committee in appropriate and exceptional circumstances.

The Audit Committee periodically reviews the functioning and effectiveness of the Vigil Mechanism. During the year under review, no person was denied access to the Audit Committee under the Whistle Blower Policy and Vigil Mechanism. The Whistle-blower Policy is available on our website, at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/6d0edb3b-21c0-429a-b5dc-a10f1aeee863-Whistle%20Blower%20Policy.pdf.

## PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to fostering a professional, inclusive and respectful work environment in which every employee is treated with dignity and respect. The Company maintains a zero-tolerance approach towards any form of sexual harassment and is dedicated to providing a workplace that is safe, secure and free from discrimination, intimidation and harassment.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder, the Company has implemented a comprehensive Policy on Prevention of Sexual Harassment at Workplace. The Policy applies to all employees, including permanent, temporary, contractual and trainee personnel, and provides a structured framework for the prevention, prohibition and redressal of complaints relating to sexual harassment.

To ensure effective implementation of the Policy, Internal Complaint Committees have been constituted at all applicable locations of the Company in accordance with the requirements of the POSH Act. These Committees are entrusted with the responsibility of receiving, investigating and resolving complaints in a fair, confidential and time-bound manner, while ensuring adherence to the principles of natural justice.

The Company continues to undertake appropriate awareness and sensitization initiatives and has established suitable procedures and mechanisms to address concerns relating to workplace harassment promptly and effectively.

During the financial year under review, no complaint pertaining to sexual harassment was received or reported under the provisions of the POSH Act.

## DISCLOSURE OF COMPLIANCE WITH THE PROVISIONS RELATING TO MATERNITY BENEFIT ACT, 1961

During the FY2025-26, the Company has complied with all the applicable provisions relating to the Maternity Benefit Act, 1961

## AWARDS AND RECOGNITIONS

The Company was honoured with multiple prestigious awards, underscoring its unwavering commitment to operational excellence, organizational culture, and people-centric leadership during the financial year 2025–26.

A key highlight was being certified as a "Great Place to Work", a recognition that reflects the Company's dedication to fostering a high-trust, high-performance work environment. This achievement reaffirms our focus on employee engagement, workplace inclusivity, and the holistic well-being of our workforce.

Global Awards for Leadership, Excellence and Technology from Human Resource Association of India (HRAI), Our leaders foster a culture of collaboration, innovation, and high performance, ensuring that every employee contributes towards achieving organizational goals while upholding the highest standards of safety, quality, and ethical conduct. Through continuous learning and capability building, we strive to develop future-ready leaders who can successfully navigate evolving business challenges.

Technology is a key enabler of Shyam Metalics and Energy Limited's growth and operational excellence. We leverage modern manufacturing technologies, automation, digital solutions, and data-driven decision-making to enhance productivity, improve product quality, optimize resource utilization, and strengthen sustainability initiatives.

## INDUSTRIAL RELATIONS

Industrial Relations in the Company continued to be cordial during the year.

## MISCELLANEOUS

1. There were no instances where the Board of Directors have not accepted the recommendations of audit committee.

2. The Company had not entered into any one-time settlement with any Bank or any Financial Institution.

## GREEN INITIATIVES

The Company remains committed to environmentally responsible business practices and continues to support the Green Initiative promoted by the Ministry of Corporate Affairs ("MCA"), Government of India. As part of its sustainability efforts and in line with regulatory initiatives aimed at reducing paper consumption, the Company has adopted electronic modes of communication for dissemination of corporate information to its stakeholders.

Accordingly, important shareholder communications, including the Annual Report, Notice of the Annual General Meeting and other statutory documents, are being transmitted electronically to those Members whose e-mail addresses are registered with their Depository Participants ("DPs") or the Company's Registrar and Transfer Agent ("RTA"). The Company also extensively leverages digital platforms and electronic modes for conducting meetings and stakeholder interactions, thereby contributing towards the reduction of its environmental footprint.

In accordance with the applicable circulars issued by the MCA and the Securities and Exchange Board of India ("SEBI"), the Notice convening the 24th Annual General Meeting and the Annual Report for the financial year 2025-26 are being circulated to the Members through electronic means only.

Members who have not yet registered or updated their e-mail addresses are encouraged to do so with their respective DPs or the Company's RTA to ensure seamless receipt of all shareholder communications, notices, reports and other important information in electronic form.

## ACKNOWLEDGEMENTS

The Board of Directors wishes to place on record its sincere appreciation and gratitude to all stakeholders whose continued trust, support and collaboration have contributed significantly to the Company's performance and progress during the year. The Board acknowledges the valuable association and support received from customers, suppliers, vendors, business partners, bankers, financial institutions and other associates, both in India and overseas.

The Board also expresses its gratitude to the Central Government, the Governments of West Bengal and Odisha, regulatory and statutory authorities, stock exchanges, municipal and local authorities, and other government agencies for their continued guidance, cooperation and support. The Company is equally thankful to the communities in and around its areas of operation for their goodwill and encouragement.

The Directors convey their heartfelt appreciation to the Company's shareholders and investors for their unwavering confidence in the Company's vision, strategy and long-term growth prospects. Their continued trust serves as a source of inspiration and motivation for the Company to strive for excellence and create sustainable value.

The Board further places on record its deep appreciation for the dedication, commitment and collective efforts of the employees, workmen and members of the management team, whose resilience and perseverance have been instrumental in navigating challenges and achieving the Company's objectives. The Board also acknowledges the valuable contributions of the Independent Directors and Non-Executive Directors whose insights, experience, guidance and constructive counsel continue to strengthen the Company's governance framework and support informed decision-making in pursuit of its strategic goals.

The Board remains confident that with the continued support of all stakeholders, the Company is well-positioned to build upon its achievements and create enduring value in the years ahead.

For and on behalf of the Board of Directors

| | |
|---|---|
| Sd/- | Sd/- |
| **Brij Bhushan Agarwal** | **Sanjay Kumar Agarwal** |
| Chairman and Managing Director | Joint Managing Director |
| (DIN: 01125056) | (DIN: 00232938) |

Place: Kolkata
Date: 11th May 2026

# FORM NO. AOC - 1

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso of sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

## Part "A": Subsidiaries

(₹ in Crores)

| Sl. No. | Particular | Shyam SEL and Power Ltd. | Shyam Energy Ltd. | SS Natural Resources Pvt. Ltd. | Meadow Housing Pvt. Ltd. | Whispering Developers Pvt. Ltd. | Shree Sikhar Iron & Steel Pvt. Ltd. | Shree Venkateshwara Electrocast Pvt. Ltd. | Nirjhar Commodities Pvt. Ltd. | Ramsarup Industries Ltd. | Star Metalworks Private Limited | SMEL Steel structure Limited | Shyam Metalics International DMCC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Wholly owned subsidiary of Shyam Metalics and Energy Limited | Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Wholly Owned Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Subsidiary of Shyam SEL and Power Limited | Wholly Owned Subsidiary of Shyam SEL and Power Limited | Wholly Owned Subsidiary of Shyam SEL and Power Limited | Wholly Owned Subsidiary of Shyam SEL and Power Limited |
| 1. | Reporting period for the subsidiary concerned | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 | 31.03.26 |
| 2. | Share capital | 44.13 | 1.96 | 0.61 | 1.05 | 0.74 | 0.58 | 1.87 | 0.01 | 5.00 | 0.01 | 0.01 | 1.05 |
| 3. | Reserves & surplus | 6,232.56 | 90.29 | (19.13) | (0.67) | (0.71) | 3.08 | (21.65) | (0.08) | 2,025.44 | (0.02) | 180.01 | (0.86) |
| 4. | Total assets | 11,815.52 | 104.95 | 17.05 | 0.45 | 5.71 | 3.93 | 97.48 | 0.31 | 2,980.68 | 215.35 | 357.94 | 0.58 |
| 5. | Total Liabilities | 5,538.83 | 12.70 | 35.57 | 0.06 | 5.67 | 0.27 | 117.26 | 0.38 | 950.26 | 215.36 | 177.92 | 0.40 |
| 6. | Investments | 1,047.69 | 95.87 | - | - | - | 0.03 | - | - | - | - | - | - |
| 7. | Turnover | 12,264.07 | - | 0.16 | 0.00 | 0.00 | - | 143.51 | 0.31 | 646.66 | - | 0.07 | - |
| 8. | Profit before taxation | 754.81 | (0.05) | (2.80) | (0.01) | 0.00 | (0.02) | (4.60) | 0.31 | (22.71) | (0.01) | 0.03 | (0.24) |
| 9. | Provision for taxation | 200.36 | - | - | - | - | 0.03 | 0.37 | - | - | - | 0.01 | - |
| 10. | Profit after taxation | 554.45 | (0.05) | (2.80) | (0.01) | 0.00 | (0.05) | (4.98) | 0.31 | (22.71) | (0.01) | 0.03 | (0.24) |
| 11. | Proposed Dividend | Nil | - | - | - | - | - | - | - | - | - | - | - |
| 12. | % of shareholding | 100.00% | 87.12% | 60.00% | 71.43% | 67.57% | 99.91% | 100% | 51.00% | 60.00% | 100.00% | 100.00% | 100.00% |

Note: 1. Star Metalworks Pvt. Ltd. has become the wholly owned subsidiary of Shyam SEL and Power Limited on 29th October, 2025.

Note 2. SSPL has OCD of 800 Crores and Ramsarup Industries Ltd. has 813 Crores which has been included in Sl. No. 3 "Reserves & Surplus".

1. Names of subsidiaries which are yet to commence operations:
   a) Shyam Metalics International DMCC

2. Names of subsidiaries which have been liquidated or sold during the year:
   NIL

## Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ in Crores)

| | Name of Associates/Joint Ventures | Meghana Vyapar Pvt. Ltd. (Associate of Shyam Metalics and Energy Limited) | Kolhan Complex Pvt. Ltd. (Associate of Shyam SEL and Power Limited) | MJSJ Coal Ltd. (Joint Venture of Shyam Metalics and Energy Limited) | Kalinga Energy & Power Ltd. (Joint Venture of Shyam SEL and Power Limited) | Emerge Solar Projects Private Limited. (Associate of Shyam SEL and Power Limited) |
|---|---|---|---|---|---|---|
| 1. | Latest audited Balance Sheet Date | 31.03.2026 | 31.03.2026 | 31.03.2026 | 31.03.2026 | 31.03.2026 |
| 2. | Shares of Associate/Joint Ventures held by the company on the year end | | | | | |
| | No. | 100000 | 133400 | 8559000 | 1250000 | 2600 |
| | Amount of Investment in Associates/ Joint Venture | 0.10 | 1.20 | 8.56 | 0.13 | 0.25 |
| | Extend of Holding % | 33.51% | 41.28% | 9.00% | 50.00% | 26% |
| 3. | Description of how there is significant influence | 33.51% of Shareholding gives equal right to exercise the power | 41.28% of Shareholding gives equal right to exercise the power | 9% of Shareholding gives equal right to exercise the power | 50% of Shareholding gives equal right to exercise the power | 26% of Shareholding gives equal right to exercise the power |
| 4. | Reason why the associate/joint venture is not consolidated | N.A. | N.A. | Joint Venture MJSJ Coal Limited has been excluded from consolidation as the group doesn't have any control thereto. | N. A | N. A |
| 5. | Net worth attributable to Shareholding as per latest audited Balance Sheet | 9.18 | 1.37 | Nil | 0.00 | 0.21 |
| 6. | Profit / Loss for the year | | | | | |
| | i. Considered in Consolidation | (0.20) | 0.00 | - | 0.00 | 0.00 |
| | ii. Not Considered in Consolidation | - | - | - | - | - |

**Note:** By acquiring 26% Equity Share Capital in Emerge Solar Projects Private Limited by Shyam SEL and Power Limited on 14th August, 2025, it has become an Associate Company of SSPL.

1. Names of associates or joint ventures which are yet to commence operations: **Nil**
2. Names of associates or joint ventures which have been liquidated or sold during the year: **Nil**





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**Annexure – II**

# FORM NO. 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:**

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

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

| | | |
|---|---|---|
| a) | Name(s) of the related party and nature of relationship | Nil |
| b) | Nature of contracts / arrangements/ transactions | |
| c) | Duration of the contracts/ arrangements/transactions | |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any | |
| e) | Date(s) of approval by the Board, if any | |
| f) | Amount paid as advances, if any | |



**Annexure – III**

# PARTICULARS OF MANAGERIAL REMUNERATION

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**(i) The ratio of the remuneration of each Director to the median remuneration of the employees for the Financial year 2025-26 and percentage increase in remuneration of the Directors and Key Managerial Personnel of the Company for the financial year:**

| Name of Directors & Key Managerial Personnel | Designation | Remuneration of Director/KMP for the F.Y 2025-26 (₹) | Percentage Increase in Remuneration | Ratio to median remuneration |
|---|---|---|---|---|
| **Executive Directors** | | | | |
| Mr. Brij Bhushan Agarwal | Chairman & Managing Director | 2,65,00,000 | 10% | 70.11:1 |
| Mr. Sanjay Kumar Agarwal | Joint Managing Director | 67,50,000 | 13% | 17.86:1 |
| Mr. Deepak Agarwal | Director – Finance & CFO | 97,80,000 | 16% | 25.87:1 |
| Mr. Dev Kumar Tiwari | Whole-time Director | 67,64,412 | 17% | 17.90:1 |
| Mr. Sheetij Agarwal | Whole-time Director | 1,35,00,000 | 125% | 35.71:1 |
| **Independent Directors** | | | | |
| Mr. Kishan Gopal Baldwa | Independent Director | 5,50,000 | N.A. | 1.46:1 |
| Mr. Malay Kumar De* | Independent Director | 1,00,000 | N.A. | 0.26:1 |
| Mr. Nand Gopal Khaitan | Independent Director | 2,75,000 | N.A. | 0.73:1 |
| Mr. Shashi Kumar | Independent Director | 2,00,000 | N.A. | 0.53:1 |
| Mrs. Rajni Mishra | Independent Director | 6,75,000 | N.A. | 1.79:1 |
| Mr Chandra Shekhar Verma | Independent Director | 3,50,000 | N.A. | 0.93:1 |
| Mr. Subrata Bhattacharya** | Independent Director | N.A. | N.A. | N.A. |
| **Key Managerial Personnel** | | | | |
| Mr. Birendra Kumar Jain | Company Secretary | 16,09,349 | N.A. | 4.26:1 |

*Mr. Malay Kumar De (DIN: 00117655) has resigned from his position as an Independent Director (Non-Executive Category) of the Company with effect from 20th May, 2025, due to his personal commitments.

**Mr. Subrata Bhattacharya (DIN: 03050155) was appointed as an Additional Independent Director of the Company with effect from 1st February, 2026. Subsequently, he has been appointed as an Independent Director (Non-Executive) for a term of five consecutive years, commencing from 1st February, 2026 and concluding on 31st January, 2031.

**(ii) Percentage increase in the median remuneration of employees in the Financial Year:** 8.94%

**(iii) The number of permanent employees on the role of the Company:** 3840

**(iv) 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 and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average percentile increase in the Salaries of the employees and management was around 8.94%. There was no exceptional circumstance where the managerial remuneration was increased during the year.

**(v) Affirmation:** It is hereby affirmed that the remuneration paid to the Directors, Key Managerial Person and other employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-
**Brij Bhushan Agarwal**
Chairman & Managing Director
(DIN: 01125056)

Sd/-
**Sanjay Kumar Agarwal**
Joint Managing Director
(DIN: 00232938)

Place: Kolkata
Date: 11th May, 2026

## Statement of Particulars of Top 10 Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sl. | Emp | Name of the Employees | Designation | Remuneration Received | Nature of Employment | Qualification | Experience (Years) | Date of commencement of employment | Age (Years) | Last Employment | % of Equity Share held in the Company | Relation with Director, if any |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 11100001 | Brij Bhushan Agarwal | Chairman & Managing Director | 2,65,00,000 | Permanent | Graduate | 23 Years | 11-12-2002 | 53 Years | NA | 8.34% | Son of Mr. Mahabir Prasad Agarwal, Cousin of Mr. Sanjay Kumar Agarwal and Father of Mr. Sheetij Agarwal |
| 2 | 11100002 | Sanjay Kumar Agarwal | Joint Managing Director | 67,50,000 | Permanent | Graduate | 23 Years | 11-12-2002 | 50 Years | NA | 0.01% | Nephew of Mr. Mahabir Prasad Agarwal and Cousin of Mr. Brij Bhushan Agarwal |
| 4 | 1103692 | Sheetij Agarwal | Whole-Time Director | 1,35,00,000 | Permanent | Graduate | 7 Years | 10-11-2023 | 27 Years | Shyam SEL and Power Limited | 0.00% | Son of Mr. Brij Bhushan Agarwal and Nephew of Mr. Sanjay Kumar Agarwal |
| 3 | 11100087 | Deepak Agarwal | Director – Finance & CFO | 97,80,000 | Permanent | Company Secretary (CS) | 25 Years | 14-07-2014 | 52 Years | Shyam SEL and Power Limited | 0.02% | None |
| 5 | 11100201 | Dev Kumar Tiwari | Whole-Time Director | 67,64,412 | Permanent | Graduate | 20 Years | 10-04-2009 | 55 Years | Shyam SEL and Power Limited | 0.01% | None |
| 6 | 55029256 | Suryakant Kahalsingh | COO - Sambalpur | 72,00,000 | Permanent | B.Tech - Mechanical | 23 Years | 08-05-2024 | 44 Years | Sakambari Ispat Power Ltd. | 0.00% | None |
| 7 | 55016890 | Niranjan Mahapatra | Associate President | 69,05,000 | Permanent | B.E | 29 Years | 08-10-2022 | 51 Years | JSW Steel | 0.00% | None |
| 8 | 1104016 | Ravi Shankar | Group CHRO | 80,00,004 | Permanent | LLB + MBA | 30 Years | 21-07-2025 | 57 Years | JSPL & Adani | 0.00% | None |
| 9 | 22200037 | Sayan Chatterjee | GM | 54,00,004 | Permanent | MBA - Marketing | 15 Years | 12-03-2014 | 36 Years | Shyam SEL and Power Limited | 0.00% | None |
| 10 | 1103719 | Vishal Bubna | Sr. GM | 53,90,009 | Permanent | MBA - Marketing | 17 Years | 01-04-2024 | 47 Years | JSW Steel | 0.00% | None |

**Note:** There is no Employee other than the "Chairman & Managing Director" and Mr. Sheetij Agarwal employed throughout the year and in receipt of remuneration not less than ₹10,200,000/- per annum and not less than ₹8,50,000/- per month.

For and on behalf of the Board

Sd/-
**Brij Bhushan Agarwal**
Chairman & Managing Director
(DIN: 01125056)

Sd/-
**Sanjay Kumar Agarwal**
Joint Managing Director
(DIN: 00232938)

Place: Kolkata
Date: 11th May, 2026

**Annexure – IVA**

# FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
**SHYAM METALICS AND ENERGY LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHYAM METALICS AND ENERGY 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2026 generally 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 the Company for the Financial Year ended on 31st March, 2026, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations")

vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the following laws/acts are also, inter alia, applicable to the Company:

a) The Boilers Act, 1923

b) The Petroleum Act, 1934

c) The Legal Metrology Act, 2009

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that there was a delay on the part of the Company in giving prior intimation of the Board Meeting held on 22nd July, 2025, with

respect to declaration of 1st Interim Dividend for the Financial Year 2025 – 26. A fine of Rs. 10,000/- (exclusive of taxes) was imposed upon the Company by both BSE Limited and The National Stock Exchange of India and the payment of the same was made by the Company on 2nd September, 2025.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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 state that recommendations have been made to the Company with respect to the compliances related to Insider Trading as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015.

We further report that during the year under review, the Company had shifted its Registered Office from Trinity Tower, 83, Topsia Road, Kolkata-700046, West Bengal to P-19, Plate No: D-403, CPT Colony, Taratala Road, Kolkata – 700088, West Bengal with effect from 9th May, 2025.

We further report that during the year under review, an application with the National Company Law Tribunal, Kolkata Bench, was filed on 3rd November, 2025, for merger of Shree Venkateshwara Electrocast Private Limited, step-down subsidiary of the Company, with and into Shyam Sel & Power Limited, material Wholly Owned Subsidiary of the Company.

We further report that during the year under review, the Board of Directors at their meeting held on 24th January, 2026, approved the voluntary liquidation of Shyam Metalics International DMCC, incorporated in Dubai, UAE, a wholly owned subsidiary of Shyam SEL and Power Limited (SSPL) and a step-down subsidiary of the Company.

We further report that during the year under review, Shyam Sel and Power Limited (SSPL), Material WoS of the Company has entered into Solar Power Purchase Agreement with Emerge Solar Projects Private Limited (ESPPL) and has also signed a Share Subscription and Shareholders Agreement with ESPPL for subscribing to 26,000 Equity Shares, resulting ESPPL becoming an Associate of SSPL by holding 26% of its Equity Share Capital.

We further report that during the year under review, the Company has allotted 57,900 Equity Shares under SMEL Employees Stock Incentive Plan – 2023.

We further report that during the year under review, Shyam Sel and Power Limited ("SSPL"), a material wholly owned subsidiary of the Company has acquired the entire equity shareholding of Star Metalworks Private Limited ("SMWPL"). Pursuant to the acquisition, SMWPL has now become a wholly-owned subsidiary of SSPL and consequently, a step down wholly owned subsidiary of the Company with effect from 29th October 2025.

We further report that during the period under review, the Company has passed the following Special Resolutions:

i. To approve raising of funds by way of issuance of Non-Convertible Debentures (NCDS) Bonds other instruments aggregating to Rs. 3,000 Crores (Rupees Three Thousand Crores) and to delegate the powers to any Committee empowered by the Board in this regard.

ii. To approve raising of funds through issuance of securities of the Company up to Rs. 4500 Crores.

iii. To authorize increase in the limit for loan and investment up to Rs. 9000 Crores under Section 186 of the Companies Act, 2013.

iv. To approve creation of mortgage and/or charge on movable and immovable assets and properties of the Company under Section 180(1)(a) of the Companies Act, 2013.

v. To approve enhancement of the borrowing limit of the Company up to Rs. 9,000 Crores under Section 180(1)(c) of the Companies Act, 2013.

vi. To re-appoint Mrs. Rajni Mishra as an Independent Director of the Company for a further period of five consecutive years with effect from 12th February, 2026.

vii. To appoint Mr. Subrata Bhattacharya as an Independent Director of the Company for a period of five consecutive years with effect from 1st February, 2026.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

**Manoj Kumar Banthia**
Partner
Membership No. 11470
COP No. 7596
Peer Review Certificate No.: 6825/2025
UDIN: A011470H000327665

Date: 11.05.2026
Place: Kolkata

**Annexure – I**

To,
The Members,
**SHYAM METALICS AND ENERGY LIMITED**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained 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 **MKB & Associates**
Company Secretaries
Firm Reg No: P2010WB042700

**Manoj Kumar Banthia**
Partner
Membership No. 11470
COP No. 7596
Peer Review Certificate No.: 6825/2025
UDIN: A011470H000327665

Date: 11.05.2026
Place: Kolkata

**Annexure – IVB**

# FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
**M/s Shyam Sel and Power Limited**
P-19, Plate No. D403,
CPT Colony,Taratala Road,
Kolkata -700088

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Shyam Sel and Power Limited (hereinafter called "the Company") during the financial Year ended 31st March 2026. Secretarial Audit was conducted on test check basis, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 generally 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:

I further report that compliance with applicable laws is the responsibility of the Company and my report constitutes an independent opinion. My report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

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

(i) The Companies Act, 2013 (the Act) and the rules made there-under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;

(iii) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder.

(iv) Other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are:

a) Professional Tax Act

b) West Bengal Shop and Establishment Act, 1963

c) The Employees Provident Funds and Miscellaneous Provisions Ac, 1952

d) Water (Prevention and Control of Pollution) Act, 1974

Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/ trading companies, the following laws/acts are also, inter alia, applicable to the Company:

- The Boiler Act, 1923
- The Petroleum Act, 1934
- The Legal Metrology Act, 2009

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

On the basis of audit as referred above, to the best of my knowledge, understanding and belief, I am of the view that during the period under review, the Company has, save and except the observations of the Statutory Auditors of the Company in their report for the period under review complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above:

**I further report that**

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

(c) Majority decision is carried through and recorded as part of the Minutes of the Meeting of the Board of Directors.

I 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.

**I further report that**

1. Emerge Solar Projects Private Limited became Associate of the Company w.e.f. 14.08.2025.

2. Star Metalworks Private Limited became Wholly owned subsidiary of the Company w.e.f. 29.10.2025.

3. Mr. Sumit Chakraborty (DIN: 09568458) had resigned from the Board of Directors of the Company with effect from 1st April, 2025 due to personal reasons.

4. Mr. Malay Kumar De (DIN: 00117655) had resigned from the Board of Directors of the Company w.e.f. 20th May, 2025 due to personal commitments and other professional pre-occupations.

5. Mr. Raj Kumar Gupta (PAN: ALJPG3695H) has been appointed to the position of Chief Financial Officer of the Company w.e.f. 1st July, 2025

6. Mr. Shashi Kumar (DIN: 00116600) was appointed as an Additional Director (in the capacity of an Independent Director) of the Company with effect from 6th November, 2024, to hold office until the date of the next Annual General Meeting or the last date on which such meeting should have been held, whichever was earlier. Subsequently, at the Annual General Meeting held on 29th September, 2025, the members approved his appointment as an Independent Director of the Company for a term of five consecutive years, effective from 6th November, 2024, and continuing up to 5th November, 2029.

7. Change in Designation of Director, Mr. Bajrang Lal Agarwal (DIN: 00235978) from Whole-Time Director to Non-Executive Director w.e.f. 8th December, 2025.

8. The Directorate of Enforcement (ED) has issued Provisional Attachment Order (Order No. 23/2026), attaching ₹159.48 Crore in investments of the Company, for a period of 180 days under the Prevention of Money Laundering Act in connection with an ongoing investigation relating to alleged illegal coal mining and pilferage in the leasehold areas of Eastern Coalfields Limited (ECL).

9. During the year under review, an application was filed with the National Company Law Tribunal (NCLT), Kolkata Bench, on 3rd November, 2025, seeking approval for the Scheme of Amalgamation of Shree Venkateshwara Electrocast Private Limited, a subsidiary of the Company i.e. with and into Shyam SEL & Power Limited.

10. The Board of Directors, at its meeting held on 23rd January, 2026, approved the voluntary liquidation of Shyam Metalics International DMCC, incorporated in Dubai, UAE, the wholly owned subsidiary of the Company i.e. Shyam SEL & Power Limited.

11. During the year under review, the Company has entered into Solar Power Purchase Agreement with Emerge Solar Projects Private Limited (ESPPL) and has also signed a Share Subscription and Shareholders Agreement with Emerge Solar Projects Private Limited for subscribing to 26,000 Equity Shares, which would result in the Company holding up to 26% of the Equity Share Capital of ESPPL resulting it into being an Associate of the Company w.e.f. 14th August, 2025.

12. During the year under review, Shyam Sel and Power Limited had acquired the entire equity shareholding of Star Metalworks Private Limited ("SMWPL") on 29th October, 2025. Pursuant to the acquisition, SMWPL has now become a wholly owned subsidiary of SSPL.

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of the report.

Signature:

**Mukesh Chaturvedi**
FCS No.11063
C P No.:3390
UDIN: F011063H000319998
Peer Review Certificate No.:7364/2025

Date : 09.05.2026
Place: Kolkata

**Annexure – A**

To,
The Members,
**M/s Shyam Sel and Power Limited**
P-19, Plate No. D403,
CPT Colony,Taratala Road,
Kolkata -700088

My Secretarial Audit Report for the Financial Year ended 31st March, 2026 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. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were, to the best of my understanding, 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness, appropriateness or adequacy of financial records, Book of Accounts and decisions taken in board and in committees of the Company, during the period under review. However, I have verified as to whether or not the board process and approvals in various committees have been compiled with or not, during the period under review.

4. Wherever required, I have obtained 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 in the responsibility of management. My examination was limited to the verification of procedures on test basis to assess the compliance of secretarial duties and board process.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature:

**Mukesh Chaturvedi**
FCS No.11063
C P No.:3390
UDIN: F011063H000319998
Peer Review Certificate No.:7364/2025

Date : 09.05.2026
Place: Kolkata





**Annexure – V**

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

**1. Brief outline on CSR Policy of the Company:**

In accordance with the notification issued by the Ministry of Corporate Affairs dated 27th February 2014 under section 135 & Schedule VII of the Companies Act 2013, the Company's Corporate Social Responsibility (CSR) is enunciated.

As a corporate citizen, Shyam Metalics is committed to ensure the social upliftment of the communities in which it operates through CSR initiatives. The Company had adopted CSR Policy as recommended by the CSR Committee and duly approved by the Board of Directors, pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

Corporate Social Responsibility has been an integral part of the way company have been doing business. The Company believes successful corporations are very important members of the society with immense responsibility of uplifting the living standard of the community and meeting the sustainable development goals designed to be a "Blueprint to achieve a better and more sustainable future for all."

**2. Composition of CSR Committee:**

| Sl. 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. Mahabir Prasad Agarwal* | Chairman | 4 | 0 |
| 3. | Ms. Rajni Mishra# | Chairman/Director | 4 | 4 |
| 2. | Mr. Brij Bhushan Agarwal | Member/Managing Director | 4 | 4 |
| 4. | Mr. Deepak Agarwal@ | Member/Director | 4 | 4 |

*Ceased to be a member of the Board and of the committee w.e.f. closure of business hours of 9th May, 2025.

#Appointed as Chairman of the Committee w.e.f. 10th May, 2025.

@Appointed as member of the committee w.e.f. 10th May, 2025.

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

| | |
|---|---|
| Composition of CSR Committee: | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/disclosures/13dd0fb8-adb1-47e9-aa1a-f640d6d72cbc-composition%20of%20Board%20&%20Committee.pdf |
| CSR Policy: | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/63e3ceac-06e0-4038-a662-8fdaeb129e4a-SMEL_Policy-Doc_CSR-Policy.pdf |
| CSR Projects approved by the Board: | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/52264d9c-ba09-47e6-b192-17c858acb9a9-CSR%20Annual%20Action%20Plan%202025-26.pdf |

**4. The Executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

The Company has engaged an independent assessment agency, viz Median Research and Consulting Private Limited to carry out the Impact Assessment of the CSR interventions of the company for the financial year 2024-25. The CSR efforts of the company have created a very meaningful and needful impact through all the chosen thematic areas have shown growth, outcomes and impact across all the verticals.

The impact Assessment Report issued for the aforesaid period confirms that efforts of the Company have positive impacted in all the areas of CSR activities. Near the plant periphery area, CSR activities focussing on sustainable development and enhancing community well-being over five Gram Panchayat, twenty-two villages. Covering seventy-one Habitation having population of 38398 people covering 7042 households. In the Animal welfare area, more than one lakhs cows were served during the period of the report and more than two thousand sick and injured cows were treated in the veterinary hospital build with the initiative of the company and more than 150 local women skill developed for the cow-care and farming activities.

These comprehensive efforts underscore Company's unwavering commitment to fostering societal welfare and driving positive change in the communities we serve. The impact assessment report is available on the Company's website at the following web-link: https://shyammetalics.com/csr

The Key findings from the assessment of the CSR activities include:

- **Healthcare & Sanitation (SEHAT & Mobile Health Units):** Mobile Health Units (MHUs) and community health camps significantly increased healthcare accessibility in remote rural areas, serving over 18,000 beneficiaries with free medical check-ups, diagnostic services, and essential medicines.
- **Skill Development & Livelihood:** Targeted vocational training programs (such as computer literacy, stitching/tailoring, and micro-enterprise development) led to a measurable increase in household income and self-reliance, particularly among rural women.
- **Sports & Youth Empowerment:** The residential football academy and youth engagement initiatives provided structured training, equipment, and tournament pathways to rural youth, promoting discipline, physical health, and career opportunities.
- **Water & Infrastructure:** Installation of deep borewells and safe drinking water cooling systems across local villages meaningfully reduced waterborne illnesses and improved everyday community health.

**5.**

| | | (₹ Crore) |
|---|---|---|
| a). | Average net profit of the company as per section 135(5): | **436.42** |
| b). | Two percent of average net profit of the company as per section 135(5): | **8.73** |
| 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: | **1.74** |
| e). | Total CSR obligation for the financial year [(b)+(c)-(d)]: | **6.99** |

**6.**

| | | (₹ Crore) |
|---|---|---|
| a). | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): | **9.39** |
| b). | Amount spent in Administrative Overheads: | **Nil** |
| c). | Amount spent on Impact Assessment, if applicable: | **Nil** |
| d). | Total amount spent for Financial Year [(a)+(b)+(c)]: | **9.39** |

e). CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in ₹ crore) | Amount Unspent (in ₹) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 9.39 | Nil | NA | NA | Nil | NA |

f). Excess amount for set off, if any:

| Sl. No. | Particulars | Amount (In ₹ crores) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 8.73 |
| (ii) | Total amount spent for the Financial Year | 9.39 |
| (iii) | Excess amount spent for the financial year | 2.40 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii) – (iv)] | 2.40 |

**7. Details of Unspent CSR amount for the preceding three financial years:**

Amount (In ₹ crores)

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Balance Amount in Unspent CSR Account under Section 135(6) | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5), if any | | Amount remaining to be spent in succeeding financial years | Deficiency, if any |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount | Date of transfer | | |
| 1 | 2024-25 | NIL | NIL | 10.16 | NA | NA | NIL | NA |
| 2 | 2023-24 | NIL | NIL | 13.14 | NA | NA | NIL | NA |
| 3 | 2022-23 | NIL | NIL | 3.15 | NA | NA | NIL | NA |

**8.** Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: **No**

**9.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) of the Companies Act, 2013: **NA**

Place: Kolkata
Date: 11th May, 2026

Sd/-
**Mrs. Rajni Mishra**
(Chairman CSR Committee)

**Annexure – VI**

## INFORMATION IN ACCORDANCE WITH THE PROVISIONS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

### 2025-26

### A. ENERGY CONSERVATION

The Company continued to focus on initiatives that enables to improve efficiency in energy use and has deployed several technological adoption to conserve energy.

Energy conservation was taken up as a key improvement during the year and the approach prioritises actions through a three-pronged strategy:

1. **Prevention / minimization** – i.e., Preventing Wastage / minimization of energy usage by achieve lower values of fuel / energy consumption.
2. **Improving Recovery** – Deploying innovative methods of recovering higher amount of unused fuel heat in various process exhausts / recovery system.
3. **Higher Re-use / Re-cycling** – studying available potential of recovered energy from various sources and doing a cost-benefit analysis of practices required.

**Steps Taken for Energy Conservation:**

1. The details of energy efficiency improvement measures implemented, investment made and savings in energy achieved and progress made in the implementation of other recommendation are as follows:

| Sl. No. | Description of energy efficiency improvement measure | Verified energy savings (KWh) | Fuel |
|---|---|---|---|
| 1 | AFBC Boiler 2: 2 no DCF Modification at CPP | 64824 | Electricity |
| 2 | AFBC Boiler 3: 3 Nos DCF Modification at CPP | 97236 | Electricity |
| 3 | Installation of LT capacitor bank 750 kvar x 3 + 1000 kvar x 1 of structure mill. | 81840 | Electricity |
| 4 | Online roller conveyor of structure mill was running with RDOL stator (7 x 7.7 kw) now replaced DOL to VFD operation of structure mill. | 85932 | Electricity |
| 5 | 250 NOS OF 40 W Fluorescent tube light replace by 20 w LED TUBE LIGHT at Guest house & other office area. | 21900 | Electricity |
| 6 | CFL light ( 48 x 18 w ) of 50 Nos is replaced by 24 w LED panel light in admin office. | 5923 | Electricity |
| 7 | CFL light ( 2 x 18 w ) of 200 Nos is replaced by 18 w LED panel light at WRM office and other Control Room Area. | 15768 | Electricity |
| 8 | Capacitor Bank 1250 KVAR was connected in Benification-1 of Pellet Plant | 68985 | Electricity |
| 9 | Process Pump 200 kw x 2Nos was running in Star-Delta Starter, has replaced by VFD in Benification Unit-1 of Pellet Plant. | 49275 | Electricity |
| | **Total** | **491683** | |

2. A.1. In AFBC 2 ,further 2 No.of DCF (2 x3.7kw) motor removed done.
3. In AFBC 3 ,further 3 No.of DCF (3 x3.7kw) motor removed done.

### B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Erection of additional Magnetic Separator for dolochar screening to reduce Mag% in dolochar fuel.
2. Condenser Ball Cleaning System Installation in TG#1 to enhance condenser heat transfer which in turn will help achieving designed condenser performance.
3. Below the dolochar silo to direct feeding of fuel to CHP ground hopper to reduce the vehicle handling inside the plant.
4. Installation of Pneumatic Long distance Ash Conveying Line of DRI2 to new Silo to enhance the environment condition by reducing heavy vehicle movement inside the plant.
5. Installation of Bed Ash Conveying System in AFBC Boilers for automation of Bed Material Handling under commission.
6. Existing Power Network system going to modify to healthy operation of TG and Load Units
7. In addition to 1.2mwp floating solar we are installing the 3.0MW Roof Top Solar installation to reduce the power cost.

**Productivity**

1. Additional 10000 m3 / day WWTP#3 proposed to installed for waste water treatment. Annual Projected Saving - ₹3 Cr/-.
2. SMS1&2 power setting 73mw against 75mw through TDU system to increase the PLF with same productivity and saving 2mw. The system is under developing.
3. CFBC # 230TPH & 90MW TG No-2 under Project to meet future power demand of SMEL.
4. WHRB # 11 is under project it will give 120TON Steam to increase the generation to meet the upcoming Load of plant.
5. Sponge Iron Container loading system has added for additional rail despatch system.
6. Condenser Ball Cleaning System Installation inTG #1 for vacuum enhancement.
7. Collecting bag filter dust to being utilised in after burning chamber of DRI Kiln for enhancing the steam generation of WHRB.

**Research and Development (R&D)**

1. Development of Control & Instrumentation Lab
2. Enhancement of Central Workshop
3. Rain Water Harvesting System
4. Modifications of Roads & Drainage System to collect, manage & treat waste and rain water.
5. Hybrid power generation to reduce auxiliary power consumption of unit.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows as under:

(₹ In Crores)

| Particulars | F.Y 2025-26 | F.Y 2024-25 |
|---|---|---|
| Foreign Exchange Earnings -Inflow | 166.60 | 83.06 |
| Value of Direct Imports (CIF Value) – Outgo | 1,310.01 | 953.03 |
| Expenditure in Foreign Currency – Outgo | 0.84 | 1.29 |

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

| Sr. No. | Particulars | Details |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L40101WB2002PLC095491 |
| 2. | Name of the Listed Entity | Shyam Metalics and Energy Limited |
| 3. | Year of incorporation | 2002 |
| 4. | Registered office address | P-19, (Plate No.: D-403), Taratala Road, CPT Colony, Kolkata, West Bengal 700088 |
| 5. | Corporate address | SS Chamber, 5 CR Avenue, Kolkata, West Bengal- 700072 |
| 6. | Email | compliance@shyamgroup.com |
| 7. | Telephone | +91 33 6521 6521 |
| 8. | Website | http://www.shyammetalics.com/ |
| 9. | Financial year reported | 2025-2026 |
| 10. | Name of the Stock Exchange(s) where shares are listed | A. National Stock Exchange of India Limited (NSE)<br>B. BSE Limited (BSE) |
| 11. | Paid-up capital | ₹2,79,13,18,530 |
| 12. | Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Anindya Pal<br>DGM ESG<br>+91 - 9007038704<br>anindya.pal@shyamgroup.com |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Consolidated Basis |
| 14. | Name of assurance provider | BDO India Services Private Limited |
| 15. | Type of assurance obtained | Reasonable Assurance of BRSR Core |

*(Note inclusion of subsidiaries, Shyam Sel and Power Limited, Ramsarup Industries Limited and Shree Venkateshwara Electrocast Private Limited)

### II. Products/services

**16. Details of business activities (accounting for 90% of the turnover):**

| Sr. No. | Description of Main Activity | Description of Business Activity | Percentage of Turnover of the entity |
|---|---|---|---|
| 1 | Manufacturing | Metal and metal products (C7) | 98.91% |
| 2 | Trade | Wholesale Trading (G1) | 1.09% |

**17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

| Sr. No. | Product/Service | NIC Code | Percentage of total Turnover contributed |
|---|---|---|---|
| 1 | Carbon Steel | 24109 | 39.44% |
| 2 | Pig Iron | 24102 | 12.08% |
| 3 | Sponge Iron | 24102 | 11.50% |
| 4 | Specialty Alloys | 24104 | 11.30% |
| 5 | Stainless Steel | 24109 | 7.12% |
| 6 | C R Coils | 24202 | 6.80% |
| 7 | Pellets | 24109 | 5.76% |
| 8 | Aluminium | 24202 | 4.43% |
| 9 | Others | 24109 | 1.57% |

### III. Operations

**18. Number of locations where plants and/or operations/offices of the entity are situated:**

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | 8 | 17 | 25 |
| International | 0 | 0 | 0 |

**19. 19. Markets served by the entity:**

**a. Number of locations**

| Locations | Number |
|---|---|
| National (No. of States/Union Territories) | 25 states (including UT) |
| International (No. of Countries) | 40 countries |

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

**Response:** 10.63% (Major export is Ferro Alloy and Stainless Steel)

**c. A brief on types of customers**

**Response:** Shyam Metalics and Energy Limited (SMEL) has built a strong reputation for producing and supplying high-quality long steel products and ferro alloys. With manufacturing plants smartly positioned across locations in West Bengal, Odisha,Jharkhand and Madhya Pradesh, Jharkhand it is making it easy to supply products to customers all over India from the south and west to the north and east. At its core, Shyam Metalics is all about putting customers first. They stay in close touch with business clients, whether commercial or industrial, to really get what they need. This back-and-forth helps the company tweak its products and roll out tailored solutions that go beyond expectations. Working in B2B, B2C, and B2D spaces, they're focused on building lasting partnerships and delivering top-notch results every time. SMEL engages customers via dedicated account management, technical support, on site testing and customised product offerings; feedback mechanisms and regular commercial reviews inform product development and quality improvements.

### IV. Employees

**20. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

| Sr. No. | Particulars | Total (A) | Male | | Female | | Other | |
|---|---|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H / A) |
| | **Employees** | | | | | | | |
| 1 | Permanent (D) | 4845 | 4654 | 96.06% | 191 | 3.94% | 0 | 0.00% |
| 2 | Other than Permanent (E) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **3** | **Total employees (D + E)** | **4845** | **4654** | **96.06%** | **191** | **3.94%** | **0** | **0.00%** |
| | **Workers** | | | | | | | |
| 4 | Permanent (F) | 5419 | 5403 | 99.70% | 16 | 0.30% | 0 | 0.00% |
| 5 | Other than Permanent (G) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **6** | **Total workers (F + G)** | **5419** | **5403** | **99.70%** | **16** | **0.30%** | **0** | **0.00%** |

**b. Differently abled Employees and workers:**

| Sr. No. | Particulars | Total (A) | Male | | Female | | Other | |
|---|---|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H / A) |
| **Differently abled Employees** | | | | | | | | |
| 1 | Permanent (D) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 2 | Other than Permanent (E) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **3** | **Total employees (D + E)** | **0** | **0** | **0.00%** | **0** | **0.00%** | 0 | **0.00%** |
| **Differently abled Workers** | | | | | | | | |
| 4 | Permanent (F) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| 5 | Other than Permanent (G) | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **6** | **Total workers (F + G)** | **0** | **0** | **0.00%** | **0** | **0.00%** | **0** | **0.00%** |

**21. Participation/ Inclusion/ Representation of women:**

| | Total (A) | No. and percentage of Females | |
|---|---|---|---|
| | | No. (B) | % (B / A) |
| Board of Directors | 11 | 1 | 9% |
| Key Management Personnel | 6 | 0 | 0% |

**22. Turnover rate for permanent employees and workers:**

| | Turnover rate of current FY 2025-26 | | | Turnover rate of previous FY 2024-25 | | | Turnover rate of previous FY 2023-24 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 6.53% | 0.09% | 6.63% | 7.28% | 0.10% | 7.38% | 3% | 0.2% | 3.2% |
| Permanent Workers | 10.17% | 0.13% | 10.32% | 10.92% | 0.15% | 11.07% | 2.5% | 0.1% | 2.6% |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

**23. (a) Names of holding/ subsidiary/ associate companies/ joint ventures**

| Sr. No. | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | Percentage of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---|---|---|---|---|
| 1. | Shyam Sel and Power Limited | Wholly Owned Subsidiary | 100.00% | Yes |
| 2. | Shyam Energy Limited | Step down Subsidiary | 87.12 | No |
| 3. | Shree Venkateshwara Electrocast Private Limited | Step down Subsidiary | 100% | Yes |
| 4. | Meadow Housing Private Limited | Step down Subsidiary | 71.43% | No |
| 5. | Whispering Developers Private Limited | Step down Subsidiary | 67.57% | No |
| 6. | Nirjhar Commodities Private Limited | Step down Subsidiary | 51% | No |
| 7. | Shree Sikhar Iron & Steel Private Limited | Step down Subsidiary | 99.91% | No |
| 8. | S S Natural Resources Private Limited | Step down Subsidiary | 60% | No |
| 9. | Ramsarup Industries Limited | Step down Subsidiary | 60% | Yes |
| 10. | Smel Steel Structural Private Limited | Step down Subsidiary | 100% | No |
| 11. | Star Metalworks Private Limited | Step down Subsidiary | 100% | No |
| 12. | Shyam Metalics International DMCC | Step down Subsidiary | 100% | No |
| 13. | Meghana Vyapar Private Limited | Associate | 33.51% | No |
| 14. | Emerge Solar Projects Private Limited | Associate | 26% | |
| 15. | MJSJ Coal Limited | Joint Venture | 9% | No |
| 16. | Kolhan Complex Private Limited | Associate of SSPL (WoS) | 41.28% | No |
| 17. | Kalinga Energy & Power Limited | Joint Venture of SSPL (WoS) | 50% | No |

## CSR Details

**24.** (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

(ii) Turnover (in ₹ Cr.): **18,552.21**

(iii) Net worth (in ₹ Cr.): **10,499.60**

## VI. Transparency and Disclosures Compliances

**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 | | | FY 2024-2025 | | |
|---|---|---|---|---|---|---|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaint filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Commodities | | 0 | 0 | | 0 | 0 | |
| Shareholders | Yes, the Company has put in place a structured mechanism to engage with community leaders, enabling a thorough understanding of their concerns and ensuring timely resolution. Shyam Metalics \| India's Leading Integrated Metal Conglomerate | 19 | 0 | | 22 | 0 | |
| (Investors) Other stakeholders | Yes, the Company has a robust grievance redressal system in place to address concerns raised by investors and shareholders. a) A Stakeholders Relationship Committee has been constituted to monitor and resolve investor grievances. The Company also submits quarterly updates on investor complaints to the stock exchanges. https://www.shyammetalics.com/investors/ investors-grievances-report/ b) A dedicated Investor Relations team is available to respond to investor queries. https://www.shyammetalics.com/investors/ investor-relations- contact/. The Company also conducts regular Investor/Analyst meetings—including one-on-one meetings, earnings and update calls, and group interactions—the details of which are made available on the Company's website. https://www.shyammetalics.com/investors/investor-relations-%20contact/ | 0 | 0 | | 0 | 0 | |

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 Number of complaints filed during the year | FY 2025-26 Number of complaints pending resolution at close of the year | FY 2025-26 Remarks | FY 2024-2025 Number of complaint filed during the year | FY 2024-2025 Number of complaints pending resolution at close of the year | FY 2024-2025 Remarks |
|---|---|---|---|---|---|---|---|
| Employees & Workers | The Company offers a one-stop solution for addressing all employee-related concerns through its dedicated HR-One portal, specifically designed to manage and resolve employee queries and issues https://shyam.hrone.cloud/Account/Index | 13 | 0 | | 22 | 0 | |
| Value Chain Partners | Yes, the Company has a balanced vendor grievance redressal mechanism. Several meets and interactive sessions are being held with the Value Chain Partners. https://www.shyammetalics.com/wp-content/ | 35 | 0 | | 22 | 0 | |
| Customers | Yes, Shyam Metalics has a well- defined Customer Complaint Management System. https://www.shyammetalics.com/contact-us/ | 38 | 0 | | 26 | 0 | |
| Others | https://www.shyammetalics.com/wp-content/uploads/2025/04/Whistle-Blower-Policy.pdf | 0 | 0 | | 12 | 0 | |

**Note:** The grievance redressal policy and vigil mechanism of the company provides organized framework for dealing with concerns and grievances.

**26. Overview of the entity's material responsible business conduct issues:**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| Sr. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for Identifying the risk /opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | Environmental Impact Assessment | Opportunity | Environmental Impact Assessment (EIA) is an essential process used to assess the potential environmental, economic, and social effects of a proposed project or development. Through a comprehensive EIA, the Company can recognize both positive and negative impacts and implement appropriate measures to maximize the benefits while minimizing any adverse effects. This approach supports the adoption of more sustainable and environmentally responsible business practices. | | Positive, a well-conducted EIA offers significant advantages, as it can help the Company avoid expensive environmental remediation or legal issues, while also uncovering opportunities for cost savings and improved operational efficiency. |
| 2 | Anti-corruption practices of the company | Risk | Corruption poses serious legal and reputational risks, along with potential financial losses for the Company. Inadequate anti-corruption measures can leave the Company vulnerable to bribery, fraud, and other unethical conduct, potentially leading to fines, penalties, and a loss of stakeholder trust. | Corruption poses serious legal and reputational risks, along with potential financial losses for the Company. Inadequate anti-corruption measures can leave the Company vulnerable to bribery, fraud, and other unethical conduct, potentially leading to fines, penalties, and a loss of stakeholder trust. | Negative, failure to uphold these standards can have negative consequences, including substantial costs arising from legal actions, financial penalties, and missed business opportunities resulting from reputational harm. |
| 3 | Health & safety of employees | Risk | Failure to ensure a safe working environment can result in accidents, injuries, or fatalities, leading to legal liabilities, operational setbacks, and reputational harm. | To mitigate such risks, the Company has implemented a comprehensive occupational health and safety management system across all its facilities and work sites. Aligned with ISO 45001 standards, this system ensures compliance with legal requirements and promotes a safe and secure workplace for employees. | Negative, neglecting workplace safety can have adverse consequences, including expenses related to worker compensation claims, legal action, and reduced productivity due to work-related injuries or illnesses. |

| Sr. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for Identifying the risk /opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 4 | Development and well-being of local communities | Opportunity | Actively engaging with and supporting local communities enables the Company to build trust, strengthen its social license to operate, and contribute to the sustainable development of the regions where it functions. | | Positive, as it can lead to better community relationships, lower operational risks, and an enhanced brand reputation. |
| 5 | Sustainability disclosures | Opportunity | Transparent and comprehensive sustainability disclosures enable the Company to showcase its dedication to environmental and social responsibility, build stakeholder trust, and appeal to investors focused on sustainability. | | Positive, as it can help the Company secure sustainable financing, attract environmentally and socially responsible investors, and enhance overall financial performance through strengthened stakeholder confidence and brand reputation. |
| 6 | Environmental declaration of products | Opportunity | Offering environmental declarations for products allows the Company to showcase the sustainability of its products, comply with customer and regulatory expectations, and stand out in the marketplace. | | Positive, because it can enable the Company to command premium pricing for its sustainable products, enter new markets, and boost its overall competitiveness. |
| 7 | GHG emissions and climate change | Risk | Greenhouse gas (GHG) emissions and climate change present substantial risks to the Company's operations, supply chain, and reputation. Without effective mitigation and adaptation, the Company may face physical risks like extreme weather events and resource shortages, as well as transition risks including evolving regulations, market changes, and reputational harm. | Shyam Metalics is actively addressing these challenges through strategic initiatives. Their solarization project, with a capacity of 1.085 MWp, reduces $CO_2$ emissions by 12.5 lakh kilograms annually— equivalent to planting trees. Furthermore, investments in emission control technologies and the adoption of electric vehicles highlight their dedication to sustainability and environmental responsibility. | Negative, as the Company may incur higher costs due to the physical effects of climate change, such as damage to assets and disruptions in operations and supply chains. |
| 8 | Adoption of innovative, resource-efficient and low carbon technologies and solutions | Opportunity | Embracing innovative, resource efficient, and low-carbon technologies can enable the Company to enhance its environmental performance, lower costs, and seize emerging opportunities in the clean technology and renewable energy markets. | | Positive, as it may allow the Company to decrease operating expenses through better resource efficiency, qualify for green financing and incentives, and create new revenue streams by offering clean technologies and services |
| 9 | Life cycle assessment of products and processes | Opportunity | Performing life cycle assessments (LCAs) of products and processes allows the Company to pinpoint opportunities for enhancing the environmental performance of its offerings, cutting resource consumption, and minimizing waste. | | Positive, because it can help the Company lower costs related to resource use, waste management, and regulatory compliance, while also boosting market competitiveness by creating more sustainable products. |
| 10 | Sustainability in the supply chain | Opportunity | Encouraging sustainability practices across the supply chain helps the Company manage environmental and social risks, strengthen operational resilience, and support the overall sustainability of its business. | | Positive, as it may enable the Company to lower costs linked to supply chain disruptions, regulatory compliance, and reputational damage |

| Sr. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for Identifying the risk /opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 11 | Water and effluents | Risk | Failure to responsibly manage water resources can result in operational disruptions, regulatory non-compliance, and damage to the Company's reputation. | The Company monitors and measures water consumption across all its locations and operations. Its commitment to water stewardship includes identifying opportunities for effective water conservation. Additionally, SMEL promotes the use of recycled water to reduce overall consumption. The Company also implements Zero Liquid Discharge (ZLD) systems at all plants to ensure thorough wastewater treatment in compliance with applicable standards and regulations. | Negative, as the Company may incur higher costs due to water scarcity—such as increased prices and supply interruptions—as well as expenses related to wastewater treatment and regulatory compliance. |
| 12 | Air pollution | Risk | Failure to effectively manage air emissions can lead to fines, legal issues, and community resistance to the Company's operations.. | To address this, the Company actively maintains power equipment and regulates the air-to-fuel ratio. This approach helps reduce the production of Nitrogen Oxides (NOx), supporting more sustainable and environmentally friendly operations. | Negative, the Company may face higher costs related to air pollution control technologies, regulatory fines, penalties, and potential legal challenges. |





## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Section | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Policy and management processes** | | | | | | | | | | |
| 1. a. | Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. | Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c. | Web Link of the Policies, if available | The policies related to the above-mentioned Principle (P1-P9) are accessible via the following link:<br>P-6 \|\| Sustainability policy<br>P-6 \|\| Energy policy<br>P-6 \|\| Water Policy<br>P-1 \|\| Terms and conditions for appointment of Independent Directors<br>P-3 & 5 \|\| Anti-Sexual Harassment Policy<br>P-1 \|\| Policy of Board Diversity<br>P-1\|\| Business Responsibility & Sustainability Policy<br>P-2 & 9 \|\| Risk Management Policy<br>P-1 \|\| Anti-Corruption and Anti Bribery Policy<br>P-1 \|\| Dividend Distribution Policy<br>P-3 \|\| Whistle Blower Policy<br>P-1 \|\| Policy for Transactions with Related Parties<br>P-7 \|\| Policy for Preservation of Documents<br>P-5 \|\| Nomination and Remuneration Policy<br>P-1 \|\| Code of Conduct for Directors and Senior Management Executives<br>P-1 \|\| Familiarization Programme for Independent Directors<br>P-8 \|\| Corporate Social Responsibility Policy<br>P-2 \|\| Policy for Determining Material Subsidiaries<br>P-1 \|\| Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders<br>P-2 \|\| Policy for Determination of Materiality of Events and Information for Disclosure to The Stock Exchange<br>P- 1 & 5 \|\| Criteria for Making Payments to Non-Executive Directors | | | | | | | | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. | Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, ISO450001, ISO, BIS) adopted by your entity and mapped to each principle | ISO 9001, ISO 14001, ISO 45001, BIS Registration IS 1786 TMT and BIS Registration IS 2830 Billet | ISO 45001 Green Pro certification of TMT & Structural Products | | Indian labour codes | ISO 14001 | | | | |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any | The company is currently establishing targets for Sustainability Key Performance Indicators (KPIs) related to climate change, energy, water, waste, air emissions, and biodiversity. These targets encompass both short-term (2030) and long-term (2050) goals | | | | | | | | |
| 6. | Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met. | The Company is actively establishing its goals, targets, and performance tracking mechanisms to fulfil its commitments | | | | | | | | |

| Disclosure Section | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| **Governance, leadership, and oversight** | | | | | | | | | |

7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

   At Shyam Metalics and Energy Limited (SMEL), our commitment to sustainable and ethical business practices remains steadfast. In the past year, we have continued to invest in resource efficiency, carbon footprint reduction, and responsible waste management. Our ongoing efforts toward renewable energy usage and inclusive workplace culture reflect our dedication to long-term value creation. Through robust CSR initiatives and continuous stakeholder engagement, we remain focused on building resilience across our operations. Kindly refer to the Management Messages in the non-statutory section for further details.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

   Mr. Brij Bhushan Agarwal (DIN: 01125056) under the guidance of the Board of Directors and its Committees is responsible for implementation and oversight of the Business Responsibility policies

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

   Yes, The Board of Shyam Metalics has established several key committees responsible for sustainability-related policies:

   1. **Corporate Social Responsibility (CSR) Committee:** The Company has a dedicated committee for Corporate Social Responsibility (CSR). Its responsibilities include formulating CSR policies, overseeing its implementation and ensuring compliance with relevant regulations. The CSR Committee collaborates with various stakeholders to create a positive impact on society and the environment.
   2. **Risk Management Committee:** The Risk Management Committee assists the Board in identifying both internal and external risks faced by the company.

      These risks encompass financial, operational, sectoral, and sustainability-related aspects, with a particular focus on environmental, social, and governance (ESG) risks. Additionally, the committee addresses information security and cyber risks to safeguard the company's assets and reputation.
   3. **Stakeholder Relationship Committee:** Responsible for maintaining positive relationships with security holders and ensures effective communication. It resolves grievances related to share transfers, non-receipt of Annual Reports, declared dividends, and issuance of new or duplicate certificates. Transparency during general meetings is a key priority for the Stakeholder Relationship Committee.
   4. **Audit Committee:** The Committee monitors and provides effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. Overseas the work carried out by the internal auditor, statutory auditor and cost auditor.
   5. **Nomination and Remuneration Committee:** The Committee oversees the Company's nomination process including succession planning for the senior management and the Board to assist the Board to identify, screen and review individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria approved by the Board. Assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors, KMPs and Senior Management.
   6. **Executive Committee:** The Company has also constituted an Executive Committee. The terms of reference of the Executive Committee are determined by the Board and are reviewed periodically to ensure their continued relevance. The Committee's primary responsibilities relate to financial and administrative matters, facilitating the efficient implementation of the Company's financial operational decisions.

10. **Details of Review of NGRBCs by the Company:**

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action. | The Company's policies are carefully crafted and approved by the esteemed Board of Directors. These policies undergo periodic reviews or are reassessed as needed, which plays a vital role in evaluating the organization's environmental, social, and governance (ESG) initiatives. During these comprehensive reviews, the effectiveness of each policy is rigorously assessed, and necessary amendments are implemented to ensure that the company's procedures remain aligned with its commitment to sustainable and responsible business practices. | | | | | | | | | | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | The Company is committed to upholding standards of compliance, adhering to all applicable regulations and principles that govern its operations. The company takes a proactive approach to addressing any operational issues that may arise, promptly identifying and resolving them in an ongoing manner. No major non-compliance incidents, if any, are minimal and effectively managed, enabling the organization to maintain its reputation as a responsible and ethical corporate citizen. | | | | | | | | | | | | | | | | | |

11. **Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

| P1 | P2 | P3 | P4 | P5 | P6 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

The Company's processes and compliances are subject to regular audit by internal auditors and regulatory bodies, ensuring adherence to industry standards. With a focus on best practices and risk mitigation, the various department and business heads collaborate to periodically evaluate and update the company's policies, seeking approval from the management or board. This collaborative effort ensures that Shyam Metallics' policies remain relevant and effective. Furthermore, to maintain transparency and accountability, the company's financial and non-financial performance, including its policies, undergo annual third-party verifications and audits, providing an independent and objective assessment of the company's results.

12. **If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

    **Response:** Not Applicable.

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1**

**Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.**

**Essential Indicators:**

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | 1 | Code of Conduct | 100% |
| Key Managerial Personnel | 2 | Code of Conduct | 29% |
| Employees other than BoD and KMPs | 486 | Technical, Non-Technical & Safety | 61% |
| Workers | 385 | Technical, Non-Technical & Safety | 67.29% |

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

**Monetary**

| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|---|
| Penalty/ Fine | | | | | |
| Settlement | | | NIL | | |
| Compounding Fee | | | | | |

**Non-monetary**

| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|---|
| Imprisonment | | | | | |
| Punishment | | | NIL | | |

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|---|
| | Not Applicable |

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

**Response:** Yes, SMEL enforces a strict Anti-Corruption and Anti-Bribery Policy, ensuring all business operations are conducted with integrity and ethical responsibility. https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/0d7591de-8df6-492e-a792-3365a8ec6199-Anti-Corruption-and-Anti-Bribery-Policy-.pdf

**Professional Conduct:** The Company maintains a high standard of professionalism, fairness, and integrity in all its business relationships and dealings, regardless of the environment in which it operates. Robust Systems: To proactively prevent and address bribery and corruption, the Company has established strong internal systems and controls.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

| | FY 2025-26 | FY 2024 -25 |
|---|---|---|
| Directors | Nil | Nil |
| Key Managerial Personnel | Nil | Nil |
| Employees other than BoD and KMPs | Nil | Nil |
| Workers | Nil | Nil |

**6. Details of complaints with regard to conflict of interest:**

| | FY 2025-26 | | FY 2024 -25 | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | NA | Nil | NA |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | Nil | NA | Nil | NA |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

**Response:** None corrective actions undertaken as there was no complaints in regard to Conflict of Interest.

**8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| i) Accounts payable x 365 days | 17,75,757.85 | 10,64,792.60 |
| ii) Cost of goods/services procured | 13,680.15 | 11,336.72 |
| iii) Number of days of accounts payables | 130 | 94 |

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format**

| Parameter | Metrics | FY 2025- 26 | FY 2024-25 |
|---|---|---|---|
| Concentration of Purchases | a. i) Purchases from trading houses | 0.00 | 0.00 |
| | ii) Total purchases | 0.00 | 0.00 |
| | iii) Purchases from trading houses as % of total purchases | 0.00% | 0.00% |
| | b. Number of trading houses where purchases are made | 0 | 0 |
| | c. i) Purchases from top 10 trading houses | 0.00 | 0.00 |
| | ii) Total purchases from trading houses | 0.00 | 0.00 |
| | iii) Purchases from top 10 trading houses as % of total purchases from trading houses | 0.00% | 0.00% |
| Concentration of Sales | a. i) Sales to dealer / distributors | 1,339.93 | 1,529.88 |
| | ii) Total Sales | 18,552.21 | 15,158.63 |
| | iii) Sales to dealer / distributors as % of total sales | 7.22% | 10.09% |
| | b. Number of dealers / distributors to whom sales are made | 3,479 | 2,669 |
| | c. i) Sales to top 10 dealers / distributors | 376 | 551 |
| | ii) Total Sales to dealer / distributors | 1,339.93 | 1,529.88 |
| | iii) Sales to top 10 dealers / distributors as % of total sales to dealer / distributors | 28.06% | 35.99% |

| Parameter | Metrics | | | FY 2025- 26 | FY 2024-25 |
|---|---|---|---|---|---|
| Share of RPTs in | a. | i) | Purchases (Purchases with related parties) | 455.89 | 318.80 |
| | | ii) | Total Purchases | 5,038.81 | 4,479.71 |
| | | iii) | Purchases (Purchases with related parties as % of Total Purchases) | 9.05% | 7.12% |
| | b. | i) | Sales (Sales to related parties) | 627.27 | 485.90 |
| | | ii) | Total Sales | 6,992.98 | 6,479.36 |
| | | iii) | Sales (Sales to related parties as % of Total Sales) | 8.97% | 7.50% |
| | c. | i) | Loans & advances given to related parties | 0.13 | 0.13 |
| | | ii) | Total loans & advances | 0.13 | 0.13 |
| | | iii) | Loans & advances given to related parties as % of Total loans & advances | 100.00% | 100.00% |
| | d. | i) | Investments in related parties | 0.00 | 0.00 |
| | | ii) | Total Investments made | 0.00 | 0.00 |
| | | iii) | Investments in related parties as % of Total Investments made | 0.00% | 0.00% |

**Leadership Indicators:**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

| Total number of awareness programmes held | Topics / principles covered under the training | Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 25 | Code of Conduct, Company Induction & POSH | 35% |

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.**

**Response:** Yes, the Company has robust processes in place to manage potential conflicts of interest involving members of its Board of Directors. The company requires all directors to disclose their interests, shareholdings, and associations with other companies or entities annually or whenever changes occur. Additionally, directors provide annual declarations confirming their commitment to acting in the company's best interests and avoiding any conflicts between their personal or business associations and Shyam Metallics' operations. The senior management also affirms annually that they have not engaged in any transactions that could potentially conflict with the company's interests. During Board meetings, directors abstain from participating in discussions where they may have a conflict of interest. Also, it conducts regular assessments at its sites to identify potential areas of conflict, engaging with internal and external stakeholders to ensure a comprehensive evaluation process.

**PRINCIPLE 2**

**Businesses should provide goods and services in a manner that is sustainable and safe.**

**Essential Indicators:**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| | FY 2025-26 | FY 2024-25 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | 24% | 15% | Initiatives undertaken include Online Vibration monitoring system for Critical Equipment at DRI, Aluminizing of DRI Cooler Shell to achieve Cooling efficiency, corrosion prevention improved and extending the life of Cooler Shell by up to another 10 years, Production of low-carbon steel for easy drawing applications, Installation of Air-Oil lubrication system in place of Grease lubrication, Conversion of process-generated cold billets into TMT Bars or Wire Rods by reheating in the Re-Heating Furnace |
| Capex | 18% | 11% | Capex includes investment done Expansion of solar power facilities (existing DC capacity 1.2 MWP(0.99MW) MW floating solar plant, proposed 3 MW(10.5 CR.) rooftop project) & Conversion of Direct Chute Feeder to Y Chute in AFBC Boiler |

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

**Response:** Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

**Response:** Yes, 15% the Entity is committed to building a sustainable supply chain. The Company is currently in the process of adopting a comprehensive policy for sustainable sourcing. Under this policy, all new and existing supply chain partners will undergo a mandatory evaluation based on criteria related to environmental protection, health and safety, and overall sustainability. This diligent assessment ensures that only those partners aligned with Shyam Metalics' commitment to responsible business practices are on boarded.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:**

**Response:**

**(a) Plastics (including packaging)** - Not applicable as plastic is not being used in packaging of the products.

**(b) E-waste** - All electronic waste produced by the Company is systematically channelled to certified recycling facilities. This approach reflects the Company's dedication to environmental sustainability and responsible waste management practices. The Company actively separates electronic waste and ensures its secure transport to appropriate recycling centres.

**(c) Hazardous Waste** - All hazardous waste produced by the Company is responsibly handled and directed to certified recycling facilities.

**(d) Other Waste** – Each facility within the Company is designed to minimize waste through internal reuse and recycling processes. This waste, rather than being disposed of, becomes a valuable resource through waste heat recovery systems. The Company has installed advanced boilers that convert this recovered heat into electricity, supporting the Company's energy requirements. This innovative strategy not only reduces the Company's environmental impact but also improves operational effectiveness.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

**Response:** No, Extended Producer Responsibility (EPR) is not applicable to the Company's products

**Leadership Indicators:**

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   **Response:** Not conducted in this year.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---|---|---|
| TMT Bar/ Structural | A large proportion of environmental impacts are associated with the raw material Billet that is produced through DRI root. | The company is in the process of optimizing the DRI production process to increase efficiency and reduce waste. They are also exploring the increased use of scrap steel and implementing energy efficient technologies to lower their environmental footprint. |

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

| Indicate input material | Recycled or re-used input material to total material | |
|---|---|---|
| | FY 2025-26 | FY 2024-25 |
| Water | 100% | 100% |
| Dolochar from DRI and Bag filter dust from CPP | 100% | 100% |
| Fly Ash | 99.95% | 98.85% |

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

| | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Re-used | Recycled | Safely Disposed | Re-used | Recycled | Safely Disposed |
| Plastics (including packaging) | - | - | - | - | - | 2.13 |
| E-waste | - | 12.70 | - | - | 11.32 | - |
| Hazardous Waste | 796.64 | - | - | - | - | 791.12 |
| Other Waste | 59,102 | - | - | - | 51.1 | - |

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| Not Applicable | |

**PRINCIPLE 3**

**Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**Essential Indicators:**

1. a. **Details of measures for the well-being of employees:**

| Category | Total (A) | Percentage of Employees (Permanent and Other employees) covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day-care Facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 4654 | 3895 | 83.69% | 4654 | 100.00% | | | 137 | 2.94% | 0 | 0.00% |
| Female | 191 | 128 | 67.02% | 191 | 100.00% | 0 | 0.00% | | | 0 | 0.00% |
| Other | 0 | 0 | 0.00% | 0 | 0.00% | 4 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **Total** | **4845** | **4023** | **83.03%** | **4845** | **100.00%** | **4** | **0.08%** | **137** | **2.83%** | **0** | **0.00%** |
| **Other than permanent employees** | | | | | | | | | | | |
| Male | 0 | 0 | 0.00% | 0 | 0.00% | | | 0 | 0.00% | 0 | 0.00% |
| Female | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | | | 0 | 0.00% |
| Other | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **Total** | **0** | **0** | **0.00%** | **0** | **0.00%** | **0** | **0.00%** | **0** | **0.00%** | **0** | **0.00%** |

b. **Details of measures for the well-being of workers:**

| Category | Total (A) | Percentage of workers covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day-care Facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| **Permanent Workers** | | | | | | | | | | | |
| Male | 5403 | 3682 | 68.15% | 5403 | 100.00% | | | 9 | 0.17% | 0 | 0.00% |
| Female | 16 | 1 | 6.25% | 16 | 100.00% | 0 | 0.00% | | | 0 | 0.00% |
| Other | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% |
| **Total** | **5419** | **3683** | **67.96%** | **5419** | **100.00%** | **0** | **0.00%** | **9** | **0.17%** | **0** | **0.00%** |
| **Other than Permanent Workers** | | | | | | | | | | | |
| Male | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| Other | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% |
| **Total** | **0** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** | **0** | **0%** |

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.05% | 0.04% |

**2. Details of retirement benefits, for Current FY and Previous Financial Year**

| | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of Workers covered as a percentage of total workers | Deducted and deposited withthe authority (Y/N/N.A.) |
| PF | 85.50% | 99.8% | Y | 86% | 97% | Y |
| Gratuity | 100% | 100% | N | 94% | 98% | N |
| ESI | 10.90% | 32.10% | Y | 15% | 37% | Y |
| Others - (Medical Insurance) | 84% | 67% | N | 83% | 63% | N |

**3. Accessibility of workplaces:**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

**Response:** The Company remains committed to fostering an inclusive, equitable, and accessible workplace for all employees. Although there were no differently abled employees on the rolls during the reporting period, the Company continues to maintain infrastructure that is designed to support accessibility in line with the applicable provisions of the Rights of Persons with Disabilities Act, 2016. Its office premises and manufacturing facilities incorporate accessibility considerations to facilitate a safe and barrier-free work environment, reinforcing the Company's commitment to equal opportunity and workplace inclusion. Additionally, we have put in places steps like Lifts, Personal Assistance and Valet services.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

**Response:**Yes. The Company has a Human Rights Policy that outlines its commitment to respecting and upholding human rights across its operations. Any concerns or grievances related to human rights are addressed through a designated reporting mechanism, with the respective department heads and the Human Resources function responsible for reviewing, investigating, and resolving such matters in accordance with the Company's established procedures. It can be accessed through the Code of Conduct of the Company.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Gender | Permanent Employees | | Permanent Workers | |
|---|---|---|---|---|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | 100% | 100% |
| Female | 100% | 100% | 100% | 100% |
| **Total** | **100%** | **100%** | **100%** | **100%** |

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

| Category | Yes/No (If Yes, then give details of the mechanism in brief) | |
|---|---|---|
| Permanent Workers | HR One Portal | Shyam Metallics has setup a ticketing system for redressal of grievances. This helps in the tracking and closing of any grievances. |
| Other than Permanent Workers | CLMS | |
| Permanent Employees | HR One Portal | |
| Other than Permanent Employees | CLMS | |

**7. Membership of employees and worker in association(s) or unions recognised by the listed entity:**

| Category | FY 2025- 26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total employees/ workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| **Total Permanent Employees** | | | | | | |
| Male | 4654 | 0 | 0% | | NIL | |
| Female | 191 | 0 | 0% | | | |
| **Total Permanent Workers** | | | | | | |
| Male | 5403 | 2736 | 50.64% | | NIL | |
| Female | 16 | 12 | 75.00% | | | |

**8. Details of training given to employees and workers:**

| Category | FY 2025- 26 | | | | | FY 2024-25 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No.(B) | % (B/A) | No.(C) | % (C/A) | | No.(E) | % (E/D) | No.(F) | % (F/D) |
| | | | | | Employees | | | | | |
| Male | 4521 | 1385 | 19% | 2462 | 54% | 4439 | 881 | 19.85% | 2337 | 52.65% |
| Female | 181 | 64 | 16% | 178 | 98% | 154 | 24 | 15.58% | 143 | 92.86% |
| **Total** | **4702** | **1449** | **19%** | **2640** | **56%** | **4593** | **905** | **19.70%** | **2480** | **54%** |
| | | | | | Workers | | | | | |
| Male | 5533 | 2594 | 47% | 1330 | 24% | 5530 | 879 | 15.90% | 1162 | 21.01% |
| Female | 17 | 2 | 12% | 9 | 53% | 15 | 0 | 0 | 1 | 6.67% |
| **Total** | **5550** | **2596** | **47%** | **1339** | **24%** | **5545** | **879** | **15.85%** | **1163** | **20.97%** |

**9. Details of performance and career development reviews of employees and worker:**

| Category | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No.(B) | % (B/A) | Total (C) | No.(D) | % (D/C) |
| | | | Employees | | | |
| Male | 3773 | 178 | 5% | 4439 | 3489 | 78.60% |
| Female | 128 | 6 | 5% | 154 | 91 | 59.09% |
| **Total** | **3901** | **184** | **5%** | **4593** | **3580** | **77.94%** |
| | | | Workers | | | |
| Male | 5116 | 325 | 6% | 5530 | 5040 | 91.14% |
| Female | 12 | 3 | 25% | 15 | 8 | 53.33% |
| **Total** | **5128** | **328** | **6%** | **5545** | **5048** | **91.04%** |

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

**Response:**

Yes, occupational health and safety management system has been implemented by the entity. It covers the entire operations covering all project sites, manufacturing units, industrial production facilities and offices. The Company believes that a safe and healthy work environment is a pre-requisite for employee well-being, and the adoption of best practices in occupational health and safety have a direct impact on its overall performance. The coverage is 100% and includes all employees and workers. Moreover, the system is based on the ISO 45001 and is designed to ensure that the Company meets its legal obligations and provides a safe and healthy working environment for its employees.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

**Response:** The Company has in place a systematic risk management process to identify, assess, and control hazards across construction project sites, manufacturing units, industrial production facilities, and offices. The process encompasses a comprehensive set of safety practices for identifying work-related hazards and assessing risks associated with both routine and non-routine activities. These include Hazard Identification, Risk Assessment and Risk Management (HIRA), Job Safety Analysis (JSA), regular workplace and departmental safety inspections, periodic safety observations and walkthroughs by supervisors and safety officers, incident and near-miss reporting and investigation, safety audits, and learning from previous incidents and operational manuals. In addition, any changes to processes, equipment, or materials are evaluated through a structured change management review to identify and mitigate potential hazards before implementation. Through these proactive measures, the Company diligently identifies potential risks, implements appropriate control measures, and continually strengthens its safety management system to safeguard the health and well-being of its employees.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

**Response:** Yes. The Company has established formal procedures and reporting channels that enable all workers to promptly report work-related hazards, unsafe acts, unsafe conditions, and near-miss incidents. The reporting system is implemented across all divisions, with defined targets for reporting unsafe acts (UA) and unsafe conditions (UC) to encourage proactive hazard identification and foster a strong safety culture. The Company's manufacturing facilities, follow a structured reporting and investigation process to identify the root causes of incidents and near misses. Based on the findings, appropriate corrective and preventive actions are implemented to prevent recurrence of similar incidents. The reporting mechanism promotes open communication and ensures that employees can raise safety concerns without fear of retaliation.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

**Response:** Yes. The Company provides access to both occupational and non-occupational medical and healthcare services through its established Occupational Health Centers (OHCs) located across major operational sites. These centers are staffed with qualified medical professionals and are equipped to address the health needs of employees and workers. In addition, on-site medical centers and first aid facilities are available to provide immediate medical assistance. Where specialized treatment is required, the Company has arrangements with multi-specialty hospitals to ensure timely access to quality healthcare services for all employees and workers.

**11. Details of safety related incidents, in the following format:**

| Safety Incident/Number | Category | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0.20 | 0.94 |
| | Workers | 1.40 | 2.68 |
| Total recordable work-related injuries | Employees | 59 | 49 |
| | Workers | 160 | 76 |
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 1 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 1 |
| | Workers | 0 | 3 |

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

**Response:** Worker safety remains the highest priority, achieved through regular inspections, comprehensive training, and transparent communication. Alert teams quickly identify and address potential hazards, with supervisors having authority to stop unsafe work until risks are addressed. The Company collaborates with contractors who demonstrate a safety-first approach and conducts regular medical examinations to verify fitness for demanding tasks. Every life is considered invaluable, driving safety from policy development to daily operations. Safety Measures and Improvements: Operational Safety Measures: Monthly safety observations are shared with divisions ensuring corrective actions. All rotating parts are safeguarded with machine guards and platforms have handrails and toe guards. Regular housekeeping prevents slip, trip & fall incidents. Training programs and safety audits identify deviations with priority-based corrections. Incident investigations drive corrective actions while toolbox talks, and SOP training enhance worker skills and safety awareness. System Improvements: Work at Height Standard Operating Procedure awareness training is delivered to all employees at the Dam & Powerhouse. The procedure includes 'Stop Work' authority for Supervisors, Engineers, Line Managers, and Department Heads when unsafe conditions exist at the site. Competency assessments are conducted for contractor personnel before vendor selection. All workers must complete medical fitness evaluations for elevated work. Job-Specific Training: Scaffolding Inspector Certification Training is provided to 36 employees at the hydro plant through external agencies. Refresher Emergency Response training is delivered to site supervisory staff, including contractors. Physical Improvements: The Company has acquired its own scaffolding materials for maintenance work, removing dependence on contractor equipment. Daily Toolbox safety discussions are conducted for all workers, particularly those performing elevated work. Additional Safety Measures: Workers receive mandatory training for safely accessing elevated work platforms and properly using protective equipment. Managers utilize digital safety reporting systems for risk identification. Employees continuously enhance their safety knowledge to maintain hazard awareness. The Company prioritizes the welfare of its people.

**13. Number of Complaints on the following made by employees and workers:**

| | FY 25 - 26 | | | FY 24-25 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 11 | 0 | - | 737 | 0 | - |
| Health and Safety | 2 | 0 | - | 309 | 0 | - |

**14. Assessments for the year:**

| | Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100% |
| Working Conditions | 100% |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

**Response:**

The Company has taken several actions to address significant risks and concerns arising from assessments of health and safety practices and working conditions. It continuously strengthens its safety management system through initiatives such as toolbox talks, safety and fire safety training, emergency mock drills, daily safety observations, road safety monitoring, display of safety do's and don'ts, Hazard Identification and Risk Assessment (HIRA), and a near-miss reporting system. Fire hydrant systems have been installed in the CPP, with installations under progress at SMS 2 and Ferro units. Safeguarding of rotating parts across the plant is being enhanced, while housekeeping is accorded the highest priority across all departments. To improve fall protection, the Company is installing lifelines above EOT crane structures, enabling employees to securely anchor their safety harnesses while performing maintenance work at height.

In addition, the Company has implemented several engineering controls to mitigate machine-specific risks, particularly in the Wire Drawing Mill (WDM), Jamuria. These include 360° guarding of drums to prevent wire from ejecting unexpectedly, installation of proximity sensors during closing operations for automatic machine stoppage, provision of sliding guards alongside HB machines to prevent entanglement, and modification of the feeding end table into a sensor-based platform to eliminate entrapment risks by replacing the existing operator seating arrangement. The Company also continues to enhance employee awareness through regular safety training and mock drills to reinforce safe work practices and prevent workplace incidents.

**Leadership Indicators:**

1. **Does the entity extend any life insurance or any compensatory package in the event of death of: PH***

   (a) Employees (Y/N): Yes

   (b) Workers (Y/N): Yes

   The Company extends life insurance coverage for work related death of its employees and workers.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   **Response:** The Company cares for its people by properly paying all employee taxes and social benefits. Equally, contractors must uphold their end of contracts to support workers. Trust and care for one another drive legal compliance. Challan System available for statutory deductions and payments, the Company values each person and acts accordingly.

3. **Provide the number of employees / workers having suffered high consequence work related injury /ill-health /fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|---|---|---|
| | FY 25 - 26 | FY 24-25 | FY 25-26 | FY 24-25 |
| Employees | NIL | NIL | NIL | NIL |
| Workers | NIL | NIL | NIL | NIL |

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   **Response:**

   Yes. The Company sees each employee's growth as its own. It invests in continuous learning to help people reach their full potential. By embracing the latest ideas and self-betterment, it nurtures an inspired culture. Most of all, empowering individuals spurs the collective forward.

5. **Details on assessment of value chain partners:**

| | Percentage of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety practices | 100% |
| Working Conditions | |

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

   **Response:** Not Applicable

**PRINCIPLE 4**

**Businesses should respect the interests of and be responsive to all its stakeholders.**

**Essential Indicators:**

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   **Response:** The Company adopts a structured and inclusive stakeholder engagement approach to build strong, transparent, and long-term relationships with stakeholders who influence, or are impacted by, its operations and business performance. Regular engagement with employees, customers, suppliers, local communities, government authorities, investors, and business partners enables the Company to understand evolving expectations, address material concerns, and create shared value.

   Customers and suppliers remain integral to the Company's value chain, fostering collaboration, innovation, and responsible business practices. The Company also works closely with regulatory bodies, industry associations, and statutory authorities to ensure compliance with applicable laws, align with industry's best practices, and strengthen governance standards. By maintaining open dialogue and meaningful engagement with all stakeholder groups, the Company reinforces trust, supports informed decision-making, and advances its commitment to sustainable and responsible growth.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| Stakeholder group | Whether identified as Vulnerable and Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of Engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Investor | No | Conference calls, Annual General Meeting, Official communication channels: Advertisements, publications, Website and social media, Investor meetings, Email, Stock Exchange (SE) intimations, Investor/Analyst meet/ Conference calls, Annual Report, Quarterly results, Media releases, Company website | Frequent and as and when required | Share price appreciation, dividend distribution, profitability achievement, and financial stability maintenance. Additionally, the Company places strong emphasis on Environmental, Social, and Governance performance, recognizing its significance in today's business environment. Other growth opportunities are also evaluated, ensuring the Company's continued advancement and success |
| Customers | No | Customer meets, Official communication channels: Advertisements, publications, website and social media, Conferences events, Phone calls, emails and meetings, Business interaction, Customer plant visit, helpdesk, conferences | Frequent and as and when required | To acquire new customers and serve existing ones through customer satisfaction and feedback, product quality, availability, delivery and timelines, and after-sales service. To inform customers about new developments in techniques and products. |
| Suppliers & Transporters | No | Regular supplier/contractors meet, Plant visit, MoU and agreements, Training workshops, seminars and meetings, surveys, Supplier audits, Official communication channels: Advertisements, publications, website and social media | Frequent and as and when required | Service existing business requirements, needs and expectation schedules, supply chain matters, training and compliance, quality delivery and payments, ISO standards. |

| Stakeholder group | Whether identified as Vulnerable and Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of Engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Employees | No | Emails and meetings, Employee engagement initiatives, Performance appraisal, HR Connect, Grievance redressal mechanisms, Notice boards Circular and messages from corporate and line management, Employee Referral policy, HR-one portal helpdesk, Welfare initiatives for employees and their families. | Daily Newsletter – Quarterly Emails – As and when required | Employee growth and benefits, their expectations, volunteering opportunities, career advancement, professional development and continuing education, skills enhancement, training and awareness programs. |
| Government & Regulatory authorities | No | Advertisements, publications, website and social media, Phone calls, emails and meetings, Regulatory audits/ inspections, Quarterly Results, Annual reports, Stock Exchange filings | As and when required | Strong ESG practices, regulatory framework changes, employment matters, environmental measures, reporting requirements, statutory compliance, and support from authorities. |
| Communities | Yes | Community visit and projects, local charities, volunteerism, seminars, CSR project | As and when required | Community development, self- sustainability, livelihood support, Sustainable Development Goals, building capacity of future leaders, CSR projects |
| Media | No | Press releases, Quarterly Results, Annual reports, AGM information and media interactions | As and when required | Performance reporting, Good practices, show cases, awards and achievements |
| Industry Association | No | Website | As and when required | Networking to stay informed about new sector opportunities and drive change |

**Leadership Indicators:**

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   **Response:**
   The Company has established a robust governance framework to oversee its economic, environmental, and social commitments and to promote responsible business conduct. Key Board level committees, including the Corporate Social Responsibility (CSR) Committee, Risk Management Committee, and Stakeholders' Relationship Committee, provide strategic direction and oversight within their respective areas of responsibility. The CSR Committee steers community development and sustainability initiatives, while the Risk Management Committee oversees enterprise-wide risks and strengthens business resilience. The Stakeholders' Relationship Committee focuses on addressing stakeholder concerns and fostering transparent and constructive engagement.

   These committees periodically review performance, monitor the implementation of key initiatives, and provide recommendations to the Board to ensure alignment with stakeholder expectations and the Company's long-term objectives. Regular updates to the Board enhance transparency, accountability, and informed decision-making. Beyond the formal governance structure, the Company encourages active participation from employees at all levels through regular interactions, awareness programmes, and feedback mechanisms, reinforcing a culture where responsible governance and sustainable growth are shared responsibilities.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   **Response:**
   Yes. The outcomes of the Company's materiality assessment and stakeholder engagement processes serve as key inputs in identifying and prioritizing material sustainability topics. Insights gathered from internal and external stakeholders were evaluated to understand emerging risks, opportunities, and stakeholder expectations. Based on these findings, cross-functional teams develop appropriate strategies, policies, and action plans to effectively address material issues while supporting the well-being of employees, business resilience, and sustainable value creation. Progress against these priorities is periodically reviewed to ensure continued alignment with the Company's sustainability objectives and stakeholder expectations.

3. **Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.**

   **Response:**
   The Company's Corporate Social Responsibility (CSR) initiatives are guided by its commitment to creating sustainable and inclusive value for society. CSR programmes are designed to address priority social and developmental needs, with a focus on supporting underserved communities, women, children, youth, and other vulnerable groups. While planning and implementing these initiatives, the Company considers the expectations and interests of key stakeholders and aligns its efforts with local community needs and their development priorities. Through responsible business practices, the Company strives to create long-term positive social, environmental, and economic impact while conducting its operations in an ethical and accountable manner.

**PRINCIPLE 5**

**Businesses should respect and promote human rights.**

**Essential Indicators:**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category | FY 2025 - 26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of Employees/ Workers covered (B) | % (B/A) | Total (C) | No. of Employees/ Workers covered (C) | % (C/A) |
| **Employees** | | | | | | |
| Permanent | 4606 | 2856 | 62% | 4593 | 735 | 16% |
| Other than Permanent | 96 | 21 | 22% | 0 | 0 | 0 |
| **Total** | **4702** | **2877** | **61%** | **4593** | **735** | **16%** |
| **Workers** | | | | | | |
| Permanent | 5550 | 1315 | 24% | 5545 | 55 | 1% |
| Other than Permanent | 3140 | 2420 | 77% | 15,454 | 0 | 0 |
| **Total** | **8690** | **3735** | **43%** | **20,999** | **55** | **0.26%** |

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category | FY 2025-26 | | | | | FY 2024-25 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No.(C) | % (C/A) | | No.(E) | % (E/D) | No.(F) | % (F/D) |
| **Permanent Employees** | | | | | | | | | | |
| Male | 4279 | 3 | 0.07% | 4276 | 99.93% | 4439 | 157 | 4% | 4282 | 96% |
| Female | 145 | 1 | 0.69% | 144 | 99.31% | 154 | 14 | 9% | 140 | 91% |
| **Other than Permanent Employees** | | | | | | | | | | |
| Male | 83 | 01 | 1.20% | 82 | 98.80% | NA | | | | |
| Female | 01 | 00 | 0.00% | 01 | 100.00% | | | | | |
| **Permanent Workers** | | | | | | | | | | |
| Male | 5700 | 194 | 3.40% | 5506 | 96.60% | 5530 | 658 | 12% | 4872 | 88% |
| Female | 58 | 2 | 20.69% | 46 | 79.31% | 15 | 10 | 67% | 5 | 33% |
| **Other than Permanent Workers** | | | | | | | | | | |
| Male | 83 | 1 | 1.02% | 82 | 98.80% | 15208 | 10341 | 68% | 4867 | 32% |
| Female | 1 | 0 | 0.00% | 1 | 100.00% | 246 | 209 | 85% | 37 | 15% |

**3. Details of remuneration/salary/wages, in the following format:**

**a. Median remuneration/wages:**

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)* | 10 | 36,50,000 | 1 | 00 |
| Key Managerial Personnel | 6 | 82,72,206 | 00 | 00 |
| Employees other than BoD and KMP | 4,294 | 4,69,779 | 148 | 4,06,611 |
| Workers | 5,403 | 3,33,048.00 | 16 | 2,40,000 |

*The Chairman & Managing Director and Deputy Managing Director receive remuneration, which is mentioned in the KMP Row.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Gross wages paid to females | 4.16 | 6.60 |
| Total wages | 211.00 | 500.00 |
| Gross wages paid to females (Gross wages paid to females as % of total wages) | 1.97% | 1.32% |

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

**Response:** Yes

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

**Response:** Shyam Metallics have put in place a structured mechanism to address human rights issues in the organization. Here, they have setup dedicated SPOCs with Structured framework for addressing Human Rightss grievances at Plant Location and at the HO.

**6. Number of Complaints on the following made by employees and workers:**

| Particulars | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 0 | 0 | - | There were no complaints filed by employees and workers on any human rights related issues, including sexual harassment, discrimination at workplace, child labor, forced labor/ involuntary labor, wages, or other human rights related matters, during FY 2025 | | |
| Discrimination at workplace | 0 | 0 | - | | | |
| Forced Labour/Involuntary Labour | 0 | 0 | - | | | |
| Wages | 0 | 0 | - | | | |
| Other human rights related issues | 0 | 0 | - | | | |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0 | 0 |
| Complaints on POSH as a % of female employees/workers | 0 | 0 |
| Complaints on POSH upheld | 0 | 0 |

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

**Response:**

The Company is committed to providing a safe, inclusive, and respectful workplace where all employees can raise concerns related to discrimination, harassment, or inappropriate conduct without fear of retaliation. To uphold this commitment, the Company has established a robust grievance redressal framework supported by the Internal Complaints Committee (ICC) constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and a dedicated POSH governance framework across the Group.

**Key measures include:**

- **Internal Complaints Committee (ICC):** An ICC has been constituted to receive, investigate, and resolve complaints of sexual harassment in a fair, confidential, and time-bound manner.
- **POSH Governance Framework:** The Company implements a structured Group-level POSH framework that provides clear procedures for complaint reporting, investigation, resolution, and monitoring, while ensuring confidentiality and protection against retaliation.
- **Whistleblower and Grievance Mechanisms:** Employees can report concerns related to unethical conduct, discrimination, harassment, or other workplace issues through established grievance and whistleblower channels, including confidential reporting mechanisms.
- **Confidentiality and Non-Retaliation:** The Company maintains strict confidentiality throughout the investigation process and prohibits any form of retaliation against complainants, witnesses, or individuals participating in investigations.
- **POSH Awareness Programmes:** Regular Group-level awareness programmes, training sessions, and sensitization workshops are conducted to educate employees on respectful workplace behaviour, prevention of sexual harassment, reporting mechanisms, and individual responsibilities under the POSH framework.
- **Review and Monitoring:** Complaints and corrective actions are periodically reviewed to ensure timely resolution, effectiveness of the grievance process, and continuous strengthening of the Company's workplace culture.

Through these measures, the Company continues to foster a workplace built on dignity, mutual respect, equal opportunity, and accountability.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

**Response:** Yes

**10. Assessments for the year:**

| | Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties) |
|---|---|
| Child Labour | 0% |
| Forced/involuntary labour | 0% |
| Sexual harassment | 0% |
| Discrimination at workplace | 0% |
| Wages | 0% |
| Others – please specify | 0% |

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

**Response:** NA

**Leadership Indicators:**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

**Response:**

No, N/A for the reporting year.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

**Response:** NA

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

**Response:** Yes, all our office is accessible for differently abled visitors.

**4. Details on assessment of value chain partners:**

| | Percentage of your plants and offices that were assessed (By entity or statutory authorities or third parties) |
|---|---|
| Sexual harassment | At present, the Company has not undertaken a formal assessment of its value chain partners on this aspect. However, it has established a Supplier/Vendor Code of Conduct (SCoC) that sets out the minimum expectations relating to ethical business practices, legal compliance, human rights, health and safety, environmental responsibility, and responsible sourcing. Acceptance of and adherence to the SCoC is a mandatory prerequisite for all suppliers and vendors engaging with the Company. The Company expects its business partners to comply with the requirements of the SCoC and remains committed to strengthening responsible supply chain practices through continued engagement and oversight. |
| Discrimination at workplace | |
| Child Labour | |
| Forced/involuntary labour | |
| Wages | |
| Others – please specify | |

**5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**

**Response:** N/A

**PRINCIPLE 6**

**Businesses should respect and make efforts to protect and restore the environment.**

**Essential Indicators:**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter | FY 2025- 26 (GJ)* | FY 2024-25 (GJ) |
|---|---|---|
| Revenue from operations | 18,55,21,00,000.00 | 1,51,58,63,00,000 |
| **From renewable sources** | | |
| Total electricity consumption (A) | 20,637.75 | 14,276.02 |
| Total fuel consumption (B) | NIL | NIL |
| Energy consumption through other sources (C) | NIL | NIL |
| **Total energy consumption from renewable sources (A+B+C)** | **20,637.75** | **14,276.02** |
| Total electricity consumption (D) | 33,95,01,853.24 | 19,03,327.78 |
| Total fuel consumption (E) | 11,21,32,606.22 | 1,06,98,181.95 |
| Energy consumption through other sources (F) | NIL | NIL |
| **Total energy consumed from non-renewable sources (D+E+F)** | **45,16,55,097.21** | **1,26,01,509.72** |
| **Total energy consumed (A+B+C+D+E+F)** | **45,16,75,734.96** | **1,26,25,785.75** |
| **Energy intensity per million rupees of turnover** (GJ/million ₹) (Total energy consumption/million ₹ turnover in rupees) | 0.0018 | 0.000083 |
| **Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (GJ/million US$)** (Total energy consumed (GJ)/revenue from operations adjusted for PPP (million US$)) | 0.037 | 0.0017 |
| **Energy intensity in terms of physical output** (total energy consumed in GJ/ count of products manufactured during the fy) (GJ/product) | 27.96 | 21.15** |

**Note:** IIndicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, Independent assurance has been carried out by BDO India Services Private Limited on BRSR Core indicators

* The rise in energy consumption is due to the addition of 4 new manufacturing sites in the boundary of Shyam Metallics.

**There is a change in the calculation methodology of last year, hence there is a restatement for the said calculation for FY 2024-25.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

**Response:** Yes.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter | FY 2025- 26* | FY 2024-25 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water (Ponds, lakes and rivers) | 49,36,277 | 41,74,955.15 |
| (ii) Groundwater (Borewell) | 44,462 | NIL |
| (iii) Third party water (Tanker water and Municipal Supply) | 5,87,300 | NIL |
| (iv) Seawater / desalinated water | NIL | NIL |
| (v) Bottled water | NIL | NIL |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | 55,68,039.26 | 41,74,955.15 |
| **Total volume of water consumption (in kilolitres)** | **52,90,210** | **41,74,955.15** |
| **Water intensity per Million rupee of turnover** (Water consumed/Million ₹ turnover) (KL per Million ₹) | 0.000029 | 0.000047 |
| **Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (KL/Million US$) (Total water consumption/Revenue from operations adjusted for PPP (KL/Million US$)) | 0.00058 | 0.00097 |
| **Water intensity in terms of physical output** (Total water consumption in KL/ Count of products manufactured during the year) (KL/product) | 0.44 | 0.66 |

**Note:** : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: Yes, Independent assurance has been carried out by BDO India Services Private Limited on BRSR Core Indicators

* The rise in water consumption is due to the addition of 4 new manufacturing sites in the boundary of Shyam Metallics.

**4. Provide the following details related to water discharged:**

| Parameter | FY 2024-25 | FY 2024-25 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To Surface water | | |
| - No treatment | All the plants practice Zero water Discharge | |
| - With treatment – please specify level of treatment | | |
| (ii) To Groundwater | | |
| - No treatment | All the plants practice Zero water Discharge | |
| - With treatment – please specify level of treatment | | |
| (iii) To Seawater | | |
| - No treatment | All the plants practice Zero water Discharge | |
| - With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | All the plants practice Zero water Discharge | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | All the plants practice Zero water Discharge | |
| - With treatment – please specify level of treatment | | |
| **Total water discharged (in kilolitres)** | | |

**Note:** : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency Yes, Independent assurance has been carried out by BDO India Services Private Limited by BRSR Core indicators

**5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

**Response:** Yes, the Company has fully adopted the Zero Liquid Discharge (ZLD) approach and operates two Wastewater Treatment Plants with capacities of 3000 KLD and 4000 KLD. Water used in various processes is treated in these plants and then either reused within the company or used for gardening purposes. This initiative underscores the Company's commitment to responsible water management both on-site and for the broader community. By prioritizing water efficiency and ensuring availability, the Company strictly follows the ZLD principle, ensuring all wastewater is effectively treated and recycled, leaving no discharge or waste behind.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter | Please specify unit | FY 2025-26* | FY 2024-25 |
|---|---|---|---|
| NOx | (µg/m3) | 30.9 | 17 |
| SOx | (µg/m3) | 8.73 | 3.3 |
| Particulate Matter (PM10) | (µg/m3) | 47.85 | 39 |
| Particulate Matter (PM2.5) | - | - | - |
| Persistent organic pollutants (POP) | - | - | - |
| Volatile organic compounds (VOC) | - | - | - |
| Hazardous air pollutants (HAP) | - | - | - |

* The rise in air emissions is due to the addition of 4 new manufacturing sites in the boundary of Shyam Metallics.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:**

| Parameter | Unit | FY 2025-26* | FY 2024-25 |
|---|---|---|---|
| **Total Scope 1 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, FCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 1,19,97,316.96 | 54,43,997.66 |
| **Total Scope 2 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 6,69,57,309.95 | 4,55,602.06 |
| Total Scope 1 and Scope 2 emissions intensity per Million rupees of turnover | Metric tonnes of CO2 equivalent per Million ₹ | 0.00043 | 0.000038 |
| **Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total Scope 1 & 2 emissions/Revenue from operations adjusted for PPP) | Metric tonnes of CO2 equivalent per Million US$ | 0.01 | 0.00079 |
| **Total Scope 1 and Scope 2 emission intensity in terms of physical output** | Metric tonnes CO2e/ ton | 6.50 | 4.53** |

**Note:** : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, Independent assurance has been carried out by BDO India Services Private Limited for BRSR Core indicators

* The rise in GHG emissions is due to the addition of 4 new manufacturing sites in the boundary of Shyam Metallics.

** There is a change in the calculation methodology of last year, hence there is a restatement for the said calculation.

**8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

**Response:** Yes.

**9. Provide details related to waste management by the entity in the following format:**

| Parameter | FY 2025-26* | FY 2024-25 |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste **(A)** | 0.0 | 2.13 |
| E-waste **(B)** | 12.7 | 11.32 |
| Bio-medical waste **(C)** | 0.06 | 0.11 |
| Construction and demolition waste **(D)** | 0 | 0 |
| Battery waste **(E)** | 5.31 | 8 |
| Radioactive waste **(F)** | NIL | NIL |
| Other Hazardous waste. (Used Oil, Coolant mixed water, ETP Sludge, Paint sludge/ lacquer waste, Sludge from wet scrubber, Phosphate sludge, Oily socked clothes, Used Filter, Empty Container, Electronic Waste, Battery Waste) **(G)** | 14,125.22 | 791.12 |
| Other Non-hazardous waste generated (Metal waste, STP Sludge, Poly Bag, Wood, Solder Dross, Corrugated Boxes) **(H)**. | 5,43,538.62 | 54,231.42 |
| **Total waste generated (A+B+C+D+E+F+G+H)*** | **5,57,681.91** | **55,044** |
| **Waste intensity per million rupees of turnover (MT/Million Rs)** (Total waste generated per million rupees of turnover) | 0.0000030 | 0.0000036 |
| **Waste intensity per rupee of turnover adjusted for purchasing power Parity (PPP)** (MT/Million US$) (Total waste generated (MT)/revenue from operations adjusted for PPP (Million US$)) | 0.000061 | 0.000074 |
| **Waste intensity in terms of physical output** (total waste generated/count of products manufactured during the FY) (MT/product) | 0.0459 | 0.0050 |
| **For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)** | | |
| (i) Recycled | 64.03 | 51.1 |
| (ii) Re-used | 503,758.08 | 1.52 |
| (iii) Other recovery operations | 722.69 | 0.75 |
| **Total** | **5,04,544.80** | **53.37** |
| **For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)** | | |
| (i) Incineration | 82.73 | - |
| (ii) Landfilling | - | - |
| (iii) Other disposal operations | 2,797.97 | 791.12 |
| **Total** | **2,797.98** | **791.12** |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency. (Y/N) If yes, name of the external agency.: Yes, Independent assurance has been carried out by BDO India Services Private Limited for BRSR Core indicators.

* The rise in waste generation is due to the addition of 4 new manufacturing sites in the boundary of Shyam Metallics.

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes, and the practices adopted to manage such wastes.**

**Response:**

The facility actively recycles and repurposes solid waste materials to promote sustainability. Middling and rejects from the coal washery serve as fuel for the FBC Boiler, while ash, accretion, and Dolchar from the DRI kilns are used in the captive brick-making unit and as additional boiler fuel. Dedusting dust is redirected to the Pellet plant, and tar from the PGP plant is sent to authorized recyclers. Slag and dust generated during steelmaking contribute to reclaiming abandoned mines, and fly ash from boilers is used to fill old stone quarries. Slag from the Ferro alloy plant is utilized in concrete works or as landfill. Hazardous waste such as used oil and spent resin is disposed of responsibly through authorized channels, demonstrating the company's commitment to environmentally sound waste management and circular economy principles.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

| Sr. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N). If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| 1. | 21°41'4.78"N to 21°39'36.36"N 84° 1'29"E to 84° 2'51.64"E | Integrated steel unit | Yes, the conditions given in t he EC Letter are being complied with |

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

**Response:** Not Conducted for current year

**13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances in the following format:**

| Sr. No. | Specify the law/regulation/ guidelines which was not complied with | Provide details of the non-compliance | Any fines /penalties/action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken if any |
|---|---|---|---|---|
| Yes, all entities are in compliance with the applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment (Protection) Act, and the rules framed thereunder. | | | | |

## Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility / plant located in areas of water stress, provide the following information:**

(i) Name of the area: Jamuria, Mangalpur, Pakuria, Jharkand, Kharagpur, Pithampur (Unit I & II)

(ii) Nature of operations Steel manufacturing

(iii) Water withdrawal, consumption and discharge in the following format:

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 67,09,752 | 71,74,955.15 |
| (ii) Groundwater (Borewell) | 22,231 | NIL |
| (iii) Third party water (Municipal Supply + Tanker) | 6,12,648 | NIL |
| (iv) Seawater / desalinated water | NIL | NIL |
| (v) Others | NIL | NIL |
| Total volume of water withdrawal (in kilolitres) | 73,44,631 | 71,74,955.15 |
| Total volume of water consumption (in kilolitres) | 73,44,631 | 71,74,955.15 |
| Water intensity per million rupees of turnover (KL/Million ₹) (water consumed (KL)/turnover rupee (Million ₹)) | 0.000036 | 0.000047 |
| Water intensity (optional) – the relevant metric may be selected by the entity (KL/product) (Total water consumption in KL in areas of water stress/ count of products manufactured during the FY) | - | - |

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) Into Surface water | N/A | N/A |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) Into Groundwater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iii) Into Seawater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| **Total water discharged (in kilolitres)** | | |

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

| Parameters | Unit | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| **Total Scope 3 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | The Company is currently in the process of calculating Scope 3 emissions and shall report on them next year. | |
| **Total Scope 3 emissions** per rupee of turnover | Metric tonnes of CO2 equivalent | | |
| **Total Scope 3 emission intensity (optional)** – the relevant metric may be selected by the entity | Metric tonnes of CO2 equivalent | | |

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

**Response:** Currently, the Company is in the process of assessing any such impact on Biodiversity.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. No. | Initiative undertaken | Details of the initiative | Outcome of the initiative |
|---|---|---|---|
| 1 | Waste to Resource Model | The company has adopted a Waste to Resource strategy by repurposing fly ash into eco-friendly bricks and using slag for cement and road construction. Structured handling of hazardous and solid waste has also been implemented for compliance and traceability. | Reduced environmental impact through increased recycling; lower landfill use; improved circular economy alignment. |
| 2 | Zero Liquid Discharge (ZLD) | All manufacturing units operate ZLD systems with 3,000 KLD and 4,000 KLD wastewater treatment plants. Treated water is recycled for internal operations or used for landscaping, reducing freshwater dependence. | Achieved water reuse across facilities; eliminated discharge of untreated water; reduced freshwater intake. |
| 3 | Renewable Energy Deployment | Installation of 63.976 MW solar power (rooftop and floating); investment in wind energy capacity underway. Energy generated supports internal consumption, reducing dependency on fossil fuels. | Generated 6,27,96,611 MJ of renewable energy; reduced GHG emissions and operational costs. |
| 4 | Waste Heat Recovery Systems | Deployment of waste heat recovery systems (WHRS) and Dolo char-based captive power plants to capture thermal energy from production processes. | Improved energy efficiency; reduced thermal losses; enhanced captive power contribution to 83% of total energy use. |
| 5 | Advanced Pollution Control Devices | Use of Electrostatic Precipitators (ESPs) and other APCDs across all production units. Air quality monitored in real time to ensure emission norms are met. | Reduced particulate and gaseous emissions; ensured regulatory compliance; improved workplace and community air quality. |
| 6 | Industry 4.0 and Digital Integration for Efficiency | Adoption of IoT, AI-enabled systems, SAP S/4HANA and predictive maintenance tools to optimise operations, reduce energy and material waste, and improve equipment efficiency. | 15% increase in output, 20% reduction in labour costs, 30% reduction in inventory holding; improved responsiveness and resource utilisation. |
| 7 | Top Gas Pressure Recovery Turbine (TRT) | Installed 18 MW TRT at Jamuria plant to recover energy from blast furnace gas and convert it into electricity. | Enhanced energy efficiency by 10%; reduced carbon intensity of steel production. |
| 8 | Aluminium Scrap Recycling | Integrated aluminium scrap into foil manufacturing to promote circularity and reduce reliance on virgin materials. | Promoted circular economy; lowered raw material cost and environmental footprint in aluminium value chain. |
| 9 | Cooling System Optimisation | New cooling system at Jamuria reduced water and electricity usage, contributing to process optimisation and sustainability. | Achieved 20% reduction in water and electricity use; supported ZLD and energy efficiency goals. |

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

**Response:** No.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

**Response:** No, adverse impacts.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

**Response:** Currently, the company is in the process of assessing value chain partners for environmental impacts

**8. How Many green credits have been generated or produced?**

**Response:** Nil

**PRINCIPLE 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators:**

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   **Response:** 9

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

| Sr. No. | Name of the trade and industry chambers/associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | Bengal chamber of Commerce (BCC) | State |
| 2 | Merchant Chamber of Commerce (MCC) | State |
| 3 | Bharat Chamber of Commerce (BCC) | National |
| 4 | Indian Chamber of Commerce (ICC) | National |
| 5 | Federation of Indian Chambers of Commerce & Industry (FICCI) | National |
| 6 | Confederation of Indian Industry (CII) | National |
| 7 | Steel Mint | National |
| 8 | Pellet Manufacturers' Association of India | National |
| 9 | Agri Horticultural Society | National |

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

   **Response:** Nil, There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies

**Leadership Indicators:**

1. **Details of public policy positions advocated by the entity:**

| Sr. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/Half yearly/Quarterly /Others-please specify) | Web Link, if available |
|---|---|---|---|---|---|
| Shyam Metalics works closely with industry/trade associations in evolving policies that govern the functioning and regulations of the Indian Steel sector. | | | | | |

**PRINCIPLE 8**

**Businesses should promote inclusive growth and equitable development.**

**Essential Indicators:**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**
   **Response:** Not Applicable.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**
   **Response:** Not applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**
   **Response:**
   The Company has established structured mechanisms to receive and address community grievances across its operating locations. Dedicated Industrial Relations (IR) Committees and a structured hearing process at plant locations provide formal channels for community members to raise concerns, which are reviewed and resolved in a timely manner. In addition, the CSR team and Shyam Metallics Foundation (SMF), through regular engagement with local communities, Panchayats, Self-Help Groups, and village representatives, identify and address community issues while ensuring continuous dialogue and effective grievance redressal.

4. **Percentage of input material* (inputs to total inputs by value) sourced from suppliers:**

| | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Directly sourced from MSMEs/ small producers | 10.89% | 6.31% |
| Sourced directly from within the district and neighbouring districts | 98.18% | 93.69% |

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

| Location | FY 2025- 26 | FY 2024-25 |
|---|---|---|
| 1. Rural | | |
| i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) | 74,85,04,582.00 | 34,29,52,129.00 |
| ii) Total Wage Cost | 3,95,95,63,712.00 | 3,58,97,41,279.00 |
| iii) % of Job creation in Rural areas | 18.90% | 9.55% |
| 2. Semi-urban | | |
| i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) | 20,59,34,678.00 | 16,44,23,798.00 |
| ii) Total Wage Cost | 46,58,36,557.00 | 41,57,23,158.00 |
| iii) % of Job creation in Semi-Urban areas | 44.21% | 39.55% |
| 3. Urban | | |
| i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) | 5,90,49,160.00 | 5,72,84,159.00 |
| ii) Total Wage Cost | 32,72,28,922.00 | 30,14,87,256.00 |
| iii) % of Job creation in Urban areas | 18.05% | 19.00% |
| 4. Metropolitan | | |
| i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) | 36,55,04,910.00 | 24,78,12,459.00 |
| ii) Total Wage Cost | 1,04,40,34,107.00 | 87,84,12,576.00 |
| iii) % of of Job creation in Metropolitan area | 35.01% | 28.21% |

**Leadership Indicators:**

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**
   **Response:** Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

| Name of implementation of Agency | Project Title | Schedule 7 | Project Location/s (State) | Project Location/s (District) | Total Amount Spent (In lacs) |
|---|---|---|---|---|---|
| NA | Healthcare Promotion & Medical Facilities<br>Skill Development<br>Environment Sustainability<br>Social Infrastructure Projects | Healthcare, Hunger & Sanitation<br>Education & Skill Development<br>Environment Sustainability<br>Rural Development Projects | Odisha | Sambalpur | 939.00 |
| NA | Healthcare & Medical Facilities<br>Skill Development & Livelihood Enhancement<br>Social Welfare Program<br>Environment Sustainability<br>Rural Development Projects | Healthcare, Hunger & Sanitation<br>Education & Skill Development<br>Environment Sustainability<br>Rural Development Projects | West Bengal | Paschim Bardhaman | 1223.00 |

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No):**
   **Response:** : No, there is no such policy yet, however the entity is working on a responsible sourcing policy

   **(b) From which marginalized /vulnerable groups do you procure?**
   **Response:** N/A

   **(c) What percentage of total procurement (by value) does it constitute?**
   **Response:** N/A

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

| Sr. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---|---|---|---|---|
| | | Nil | | |

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

| Name of authority | Brief of the Case | Corrective action taken |
|---|---|---|
| | Not Applicable | |

6. **Details of beneficiaries of CSR**

| Sr. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|---|---|---|---|
| 1 | Construction of community hall, schools, roads, club, stage & Community water body i.e. pond renovation and cleaning. | 9462 | 41 |
| 2 | Drinking Water arrangement in Nearby villages/ Schools, Mobile Health Unit for health services / Homeopathy service, Animal health camp with collaboration of Animal Husbandry Dept.& Construction of community toilet & bathroom/WASH activities. | 78834 | 56 |
| 3 | Skill Development training on computer and Tailoring & Jute product making, Mushroom harvesting training, Provide education support to the Govt. authorised school. | 7964 | 38 |
| 4 | Cloths distribution, health camp, blood donation camp, Fire tender services, Organised various Community Awareness Program in nearby villages & Promotion of Female/Women Sports group. | 78810 | 87 |

**PRINCIPLE 9**

**Businesses should engage with and provide value to their consumers in a responsible manner.**

**Essential Indicators:**

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
   **Response:** The Company has established multiple customer grievance and feedback channels including email, phone, website, social media platforms, feedback forms, toll-free support, direct interaction with sales/project teams, and dealer networks to ensure timely resolution of complaints and customer concerns. Company is also implementing Salesforce for better tracking and process optimization.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

| Particulars | As a percentage to total turnover |
|---|---|
| Environmental and social parameters relevant to the product | Nil |
| Safe and responsible usage | Nil |
| Recycling and/or safe disposal | Nil |

3. **Number of consumer complaints in respect of the following:**

| | FY 2025-26 | | | FY 2024-25 | | |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | Nil | | | Nil | | |
| Advertising | | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |
| Other | | | | | | |

4. **Details of instances of product recalls on account of safety issues:**

| | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | Nil | Nil |
| Forced recalls | Nil | Nil |

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**
   **Response:** The Company has a formal policy on Information security management, and a manual of all the relevant policies is on the Company's website https://www.shyammetalics.com/wp-content/uploads/2025/08/ISMS.42-Data-Protection-Privary-Policy.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.**
   **Response:** NA

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches**
   **Response:** 0

   b. **Percentage of data breaches involving personally identifiable information of customers**
   **Response:** 0

   c. **Impact, if any, of the data breaches**
   **Response:** NA

**Leadership Indicators:**

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   **Response:** Company Website: Shyam Metalics Official Website, Product brochures/catalogues, Dealer & distributor network, Customer support channels, Sales and marketing teams

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   **Response:** The Company educates customers through product specifications, technical documentation, quality certifications, dealer interactions, customer engagement programs, product labelling, and guidance provided by sales and technical support teams

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   **Response:** : Customers are informed through direct communication by sales teams, distributors, email notifications, order coordination channels, and official communication platforms in case of any potential supply disruption or delay

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

**Response:** The Company displays product specifications, grade details, quality certifications, usage information, and compliance details in addition to mandatory statutory requirements through labels, test certificates, brochures, and technical documents. The Company conducts customer interaction and feedback activities through dealer networks, market surveys, customer engagement, and direct feedback mechanisms to assess customer satisfaction and improve product/service quality





# INDEPENDENT ASSURANCE STATEMENT

**Shyam Metalics and Energy Limited,**
P-19, (Plate No.: D-403), Taratala Road CPT Colony,
Kolkata, West Bengal 700088

BDO India Services Private Limited
Magnum Global Park, Floor 21
Sector 58, Golf Course Extension Road
Gurugram, Haryana 122011

Independent Assurance Statement on Business Responsibility and Sustainability Report (BRSR) disclosures for the Financial Year 2025-26.

## Introduction and objective of engagement

Shyam Metalics and Energy Limited (the 'Company') has developed its Business Responsibility and Sustainability Report ('BRSR') including the BRSR Core Indicators1, based on the BRSR reporting guidelines prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct, 2018 (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard.

BDO India Services Private Limited (BDO) was engaged by the Company to provide independent assurance on select non-financial sustainability disclosures in the BRSR (the 'Report') for the period 1st April 2025 to 31st March 2026.

## The Company's responsibilities

The content of the Report and its presentation are the sole responsibilities of the Management of the Company. The Company's Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

## BDO's responsibility

BDO's responsibility, as agreed with the Management of the Company, is to provide assurance on the BRSR Core Indicators as described in the 'Scope, boundary and assurance criteria' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance a third party may place on the Report is entirely at its own risk.

## Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement", issued by the International Auditing and Standards Board.

## Scope, boundary and assurance criteria

We have assured the non-financial BRSR Core Indicators1 presented in the BRSR 25-26 pertaining to the Company's performance for the period 1st April 2025 through 31st March 2026. The reporting scope and boundary cover the Company's India operations.

We applied the criteria of '**Reasonable**' Assurance for non-financial Core Indicators of BRSR (Business Responsibility & Sustainability Report).

## Assurance methodology

Our assurance process entailed conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. Verification on sample basis was carried out at select plants and offices.

We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. We used our professional judgement as Assurance Provider for selection of sample of non- financial information for the verification. Our review process included:

- Evaluation of appropriateness of the quantification methods used to arrive at the non-financial/sustainability information of the BRSR Core Indicators;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Engagement through discussions with personnel at both corporate and plant/facility levels who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.

## Limitations & exclusions

There are inherent limitations in assurance engagement, including, for example, the use of judgment and selective testing of data. Accordingly, there are possibilities that material misstatements in the sustainability information of the Report may remain undetected.

The assurance scope specifically excludes:

- Data and information outside the defined reporting period (1st April 2025 to 31st March 2026);
- Review of the 'economic and/or financial performance indicators' included in the Reports, specifically, the financial information based on which such indicators are reported; we have been informed by the Company that these are derived from the Company's audited financial records;

- The Company's statements and claims related to any topics other than those listed in the 'Scope, boundary and assurance criteria';
- The Company's statements that describe qualitative/ quantitative assertions, expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

### Our observations

The sustainability disclosures of the Company, as defined under the scope and boundary of assurance, have been prepared, in all material respects, in accordance with the applicable reporting framework. During the course of our assurance procedures, we observed a few inconsistencies relating to collation and compilation of data, which were subsequently corrected by the Company. The Company may further strengthen its non-financial data management processes and the comprehensive availability of supporting documentation to further enhance the auditability, accuracy and completeness of the reported information.

### Our conclusions

Based on the procedures performed and the evidence obtained, we conclude that the non-financial sustainability disclosures relating to the BRSR Core Indicators, as described in the 'Scope, Boundary and Assurance Criteria', are fairly reliable.

### Our assurance team and independence

BDO India Services Private Limited is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For **BDO India Services Private Limited**

**Indra Guha**
Partner-Sustainability & ESG
Business Advisory Services Gurugram, Haryana
31 July, 2026

1 SEBI vide Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023





# CORPORATE GOVERNANCE REPORT

**(Pursuant to Regulations 34(3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended)**

Corporate Governance is a process of governing a corporate entity which through a set of systems, procedures and practices establishes a valuable relationship of trust with all Stakeholders. Transparency, Disclosure and Accountability are three main pillars of corporate governance. Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to build confidence of its various stakeholders and paving way for its long-term success. To accomplish fair Corporate Governance, the Government of India has put in place a framework based on stipulations contained under the Companies Act, 2013 ("Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ('SEBI Listing Regulations'), Accounting Standards and Secretarial Standards etc.

### Company's Philosophy on Code of Corporate Governance:

In Shyam Metalics and Energy Limited, Corporate Governance is defined as a systematic process by which the Company is directed and controlled, keeping in mind the long-term interests of all their stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair and transparent governance practices which are essentially aimed at ensuring transparency in all dealings and hence seeks to focus on enhancement of long-term stakeholder value without compromising on integrity, social obligations and regulatory compliances. The company operates within accepted standards of prosperity, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Even in a fiercely competitive business environment that the Company is operating in, the management and employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability, which are fundamental to the Company and to achieving Corporate Excellence.

The Company is in compliance with the Corporate Governance requirements as specified in Regulations 17 to 27 read with Schedule V and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations during the Financial Year 2025-26 with regard to corporate governance.

### Date of Report

The Information provided in this report on Corporate Governance for the purpose of unanimity is as on 31st March, 2026. This report is also updated as on the date of the report, wherever applicable.

### Board of Directors

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders. The Board, inter alia, reviews and guides corporate strategy, major plans of action, risk policy, annual budgets, acquisitions and divestments. It also monitors implementation and effectiveness of governance structures.

The Company believes that an active, well-informed and Independent Board is an important facet of responsible behavior which is necessary to ensure the highest standards of Corporate Governance.

### Board Composition and Category of Directors

The Board comprises of an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2026, the Board consists of 11 (Eleven) Directors, including and headed by Executive Chairman, 5 (Five) Executive Directors, and 6 (Six) Independent Directors out of which 1 (One) is Woman Director. The Board periodically evaluates the need for change in its composition and size. Detailed profile of our directors is available on our website at https://shyammetalics.com/leadership

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations, read with Section 149 and 152 of the Companies Act, 2013. The Board members possess adequate qualifications, knowledge, expertise and experience to provide strategic guidance to the Company. The Company has passed special resolution for appointment/re-appointment/ continuation of Independent Director, who has attained the age of seventy-five years, in compliance with Regulation 17(1A) of the SEBI Listing Regulations and passed special resolution for Executive Director who has attained the age of seventy years, in compliance with Section 196 of the Act.

As defined in Regulation 17A, of the SEBI Listing Regulations none of the Directors are the members of the Board, in more than seven listed entities. The Independent Directors of the Company do not serve as an Independent Director in more than seven listed entities. Further, none of the Executive Directors of the Company serve as an Independent Director in any listed company. None of our Independent Directors serve as Non-Independent Director in any company, on the board of which any of our Non-Independent Director is an Independent Director.

During Financial Year 2025-26, none of the Directors on the Board are the member of more than Twenty Companies (including a maximum of Ten public limited companies) or a member of more than ten Board-level Committees or a Chairman of more than five such Committees. To determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2026, have been made by the Directors.

The Independent Directors (IDs) of the Company have declared that they meet the criteria for "independence" and / or "eligibility" as prescribed under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (as amended) (the "Act") and have given necessary confirmation in terms of Regulation 25(8) of the SEBI Listing Regulations. Based on the said declarations and confirmation received from the Independent Directors, the Board of Directors confirms that the Independent Directors fulfill the conditions specified in the aforesaid regulations and are independent of the management. Further, the IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their role, responsibility and duties are available on our website at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/disclosures/4b7c4a66-b121-4b56-99a9-4fe71ce10438-Terms-and-Conditions-ID.pdf

The composition and category of the Directors on the Board, as on March 31, 2026, are as follows:

| Name of the Director | DIN | Designation | Category |
|---|---|---|---|
| Mr. Brij Bhushan Agarwal[1] | 01125056 | Chairman & Managing Director | Promoter – Executive |
| Mr. Sanjay Kumar Agarwal | 00232938 | Joint Managing Director | Promoter – Executive |
| Mr. Sheetij Agarwal | 08212992 | Whole Time Director | Promoter – Executive |
| Mr. Deepak Agarwal | 00560010 | Director-Finance & CFO | Executive |
| Mr. Dev Kumar Tiwari | 02432511 | Whole Time Director | Executive |
| Mr. Kishan Gopal Baldwa | 01122052 | Director | Independent, non-executive |
| Mr. Chandra Shekhar Verma | 00121756 | Director | Independent, non-executive |
| Mr. Nand Gopal Khaitan | 00020588 | Director | Independent, non-executive |
| Mrs. Rajni Mishra[2] | 07706571 | Director | Independent, non-executive |
| Mr. Shashi Kumar | 00116600 | Director | Independent, non-executive |
| Mr. Subrata Bhattacharya[3] | 03050155 | Director | Independent, non-executive |

## Changes in the Board during the Financial Year 2025-26

1 The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of Board w.e.f 10th May, 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

2 Mrs. Rajni Mishra (DIN: 07706571) has been re-appointed as an Independent Director Non-Executive category of the Company for a period of five consecutive years commencing from 12th February, 2026 to 11th February, 2031.

3 Mr. Subrata Bhattacharya (DIN: 03050155) was appointed as an Additional Independent Director of the Company with effect from 1st February, 2026. Subsequently, he has been appointed as an Independent Director (Non-Executive) for a term of five consecutive years, commencing from 1st February, 2026 and concluding on 31st January, 2031.

**Notes:**

- Mr. Mahabir Prasad Agarwal stepped down from the position of chairman in Board Meeting held on 09th May, 2025 and was simultaneously conferred the title of Chairman Emeritus.
- Mr. Malay Kumar De (DIN: 00117655), Independent Director ceased from the directorship of the Company w.e.f., 20th May, 2025, due to his personal commitments and other professional engagements.

## Directorship, Committee membership and Chairmanship

The details of each member of the Board along with the number of Directorship(s) / Committee Membership(s) and Committee Chairmanship/ name of listed entities where he/she is a director and category of Directorship as on date of this report are provided herein below:

| Sl. No. | Name of the Director | Number of Directorship in other Public Limited Companies* | Number of Membership including Chairmanship of other Board Committee(s)** | | Name of listed entities where he/she is a Director and category of Directorship |
|---|---|---|---|---|---|
| | | | As Chairman | As Member (Including Chairmanship) | |
| 1. | Mr. Brij Bhushan Agarwal | 3 | - | - | Star Cement Limited[1] |
| 2. | Mr. Sanjay Kumar Agarwal | 3 | - | 1 | - |
| 3. | Mr. Deepak Agarwal | 1 | - | - | - |
| 4. | Mr. Dev Kumar Tiwari | 1 | - | - | - |
| 5. | Mr. Sheetij Agarwal | 1 | - | - | - |
| 6. | Mr. Kishan Gopal Baldwa | 2 | 1 | 1 | - |
| 7. | Mrs. Rajni Mishra | 3 | 1 | 5 | Alpine Commercial Co. Ltd[2]<br>Western Carriers (India) Ltd[2]<br>Swastik Plywood Limited[2] |
| 8. | Mr. Nand Gopal Khaitan | 5 | 2 | 6 | Mangalam Cement Ltd.[1]<br>AGI Greenpac Ltd.[1]<br>HEG Ltd.[2]<br>Hindware Home Innovation Ltd.[2]<br>JK Tyre & Industries Limited[2] |
| 9. | Mr. Shashi Kumar | 1 | - | 1 | - |
| 10. | Mr. Chandra Shekhar Verma | 5 | 3 | 4 | Welspun Corp Ltd.[2]<br>Multi Commodity Exchange of India Ltd.[2]<br>Ikio Technologies Ltd.[2]<br>SML Mahindra Limited (formerly SML Isuzu Limited)[2] |
| 11. | Mr. Subrata Bhattacharya | - | - | - | - |

*Only Public Limited companies are considered whether listed or not and excluded private Ltd companies, Section 8 companies, High Value Debt Entities and Foreign Companies.

**Memberships/Chairmanships of only Audit Committee and Stakeholders' Relationship Committee in other Public Limited Companies have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

1. Director in the category of Non-Independent, Non-Executive.
2. Director in the category of Independent, Non-Executive.

## Disclosure of Relationship Between Directors inter-se

| Sl. No. | Name of the Director | Category | Relationship Between Directors inter-se |
|---|---|---|---|
| 1. | Mr. Brij Bhushan Agarwal[1] | Chairman & Managing Director | Father of Mr. Sheetij Agarwal and Cousin of Mr. Sanjay Kumar Agarwal |
| 2. | Mr. Sanjay Kumar Agarwal | Joint Managing Director | Cousin of Mr. Brij Bhushan Agarwal |
| 3. | Mr. Sheetij Agarwal | Whole-time Director | Son of Mr. Brij Bhushan Agarwal |
| 4. | Mr. Deepak Agarwal | Whole-time Director | NA |
| 5. | Mr. Dev Kumar Tiwari | Whole-time Director | NA |
| 6. | Mr. Kishan Gopal Baldwa | Independent Director | NA |
| 7. | Mr. Chandra Shekhar Verma | Independent Director | NA |
| 8. | Mr. Nand Gopal Khaitan | Independent Director | NA |
| 9. | Mrs. Rajni Mishra | Independent Director | NA |
| 10. | Mr. Shashi Kumar | Independent Director | NA |
| 11. | Mr. Subrata Bhattacharya | Independent Director | NA |

1. The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of the Board w.e.f. 10th May 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

**Notes:**

Mr. Mahabir Prasad Agarwal, father of Mr. Brij Bhushan Agarwal, stepped down from the position of Chairman in Board Meeting held on 9th May, 2025 and was simultaneously conferred the title of Chairman Emeritus w e f 10th May, 2025.

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

## Details of Shares and Convertible Instruments held by Non- Executive Directors

Shareholding of non-executive directors are given in details under the Remuneration section of the Corporate Governance Report.

## Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('NRC') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The Policy for appointment and removal of Directors and determining Directors' independence is available on our website at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c5246fa2-61db-401e-9299-1e9e289b4312-Nomination-and-Remuneration-Policy.pdf.

## Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed to ensuring that the Board follows the highest standards of Corporate Governance. Following the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board:

## Definitions of skills/expertise/competencies

**Leadership** - Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, strategic planning, and operations. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.

**Strategy & Operations** – To create short- and long-term objectives and plans for achieving them and to ensure every aspect works collaboratively. To develop efficient operational strategies for the business helping to achieve the Company's objectives and improve organizational decision-making.

**Technology** - A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.

**Finance** - Leadership of the finance function / management of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions and also acquainted with the compliance thereof parallel with the regulatory requirements.

**Governance** - Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate fair and transparent governance practices with a focus to enhancement of long value.

**Sales & Marketing** - Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.

**Government / Regulatory Affairs** – To ensure that the Company keeps up with changes in regulations and laws and complies in the markets they serve.

**Sustainability, Environment, Social and Governance (ESG)** - Experience in leading the Sustainability and ESG visions of organisations, to be able to integrate these into the strategy of the Company.

## Details of Directors possessing the skills / expertise and competencies as on 31.03.2026:

| Name of Directors | Skills/Expertise and Competencies | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Leadership | Strategy & Operations | Technology | Finance | Governance | Sales & Marketing | Government/ Regulatory Affairs | Sustainability, environment, social and Governance (ESG) |
| Mr. Brij Bhushan Agarwal | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Sanjay Agarwal | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Deepak Agarwal | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Dev Kumar Tiwari | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Sheetij Agarwal | √ | √ | √ | √ | √ | √ | √ | √ |
| Mr. Kishan Gopal Baldwa | √ | √ | √ | √ | √ | - | √ | √ |
| Mr. Chandra Shekhar Verma | √ | √ | √ | √ | √ | - | √ | √ |
| Mr. Nand Gopal Khaitan | √ | √ | √ | √ | √ | - | √ | √ |
| Mrs. Rajni Mishra | - | √ | √ | √ | √ | - | √ | √ |
| Mr. Shashi Kumar | √ | √ | - | - | √ | - | √ | √ |
| Mr. Subrata Bhattacharya | √ | √ | √ | √ | √ | - | √ | √ |

## Induction and Familiarization Program for Directors

As per the SEBI Listing Regulations, the Company shall provide suitable training to the Directors to familiarize them with the Company, the nature of the industry in which the Company operates and other such areas. The members of the Board of Directors are well acquainted with the industry and are provided necessary reports, documents and other presentations including interactive session with the Chairman & Managing Director and other functional heads of the Company. Efforts are made to familiarize the Directors about their roles, rights, and responsibilities. The Directors are regularly updated on the changes in policies, laws and regulations and other developments in the business. The details of the Director's induction and familiarization are available on the Company's website at https://shyammetalics.com/static/media/familiarisation-programme_2024-25.153a9c1a4002c9e440f8.pdf

## Remuneration Policy for Board and Senior Management

The Board has adopted and approved the Remuneration Policy for Directors, Key Managerial Personnel ('KMP') and all other employees of the Company. The same is available on our website at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c5246fa2-61db-401e-9299-1e9e289b4312-Nomination-and-Remuneration-Policy.pdf

Details of remuneration for Directors in FY 2025-26 forms part of this Annual Report.

## Board Meetings and Procedures

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company apart from normal business. The Board generally meets at least once every quarter to review the Quarterly results and other agenda items. Additional meetings are held as and when deem necessary. The Committees of the Board usually meet the day before or on the day of the Board meeting or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approvals. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

All the meetings are scheduled well in advance and notices are sent to all the Directors through the permitted mode. In case a meeting is called at shorter notice to transact urgent business, requirements of Section 173(3) of the Act are complied with. The agenda of the meeting are backed by necessary supporting information and documents to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. Drafts minutes of the proceedings of the Board/Committee Meetings are circulated in advance and comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. The Board periodically reviews compliance reports of all laws applicable to the Company.

Information about major events/ items is placed before the Board and approval of the Board is taken on all such matters wherever such approval is required. Senior executives of the Company are invited as and when required to provide additional input or clarifications on certain agenda items being discussed in the Board Meeting.

## Number and dates of Board Meetings held during the year

4 (Four) Board Meetings were held during the Financial Year 2025-26 and the gap between any two Board meetings during the year under review did not exceed one hundred and twenty days. The Meetings were held on 9th May, 2025, 22nd July, 2025, 7th November, 2025 and 24th January, 2026. The requisite quorum was present for all the meetings.

The attendance of the Directors at the Board Meetings during the financial year 2025-26 and at the previous Annual General Meeting is as under:

| Name of Director | No. of Board Meeting Attended out of total (/) no. of Meetings held | Last AGM Attended |
|---|---|---|
| Mr. Mahabir Prasad Agarwal[1] | 1/1 | N/A |
| Mr. Brij Bhushan Agarwal[2] | 4/4 | Yes |
| Mr. Sanjay Kumar Agarwal | 3/4 | Yes |
| Mr. Deepak Agarwal | 4/4 | Yes |
| Mr. Dev Kumar Tiwari | 3/4 | Yes |
| Mr. Kishan Gopal Baldwa | 4/4 | Yes |
| Mr. Nand Gopal Khaitan | 4/4 | No |
| Mrs. Rajni Mishra[3] | 4/4 | Yes |
| Mr. Malay Kumar De[4] | 1/1 | N/A |
| Mr. Shashi Kumar | 1/4 | No |
| Mr. Sheetij Agarwal | 2/4 | Yes |
| Mr. Chandra Shekhar Verma | 4/4 | Yes |
| Mr. Subrata Bhattacharya[5] | 0/0 | N/A |

**Notes:**

1. Mr. Mahabir Prasad Agarwal stepped down from the position of chairman in Board Meeting held on 09th May, 2025 and was simultaneously conferred the title of Chairman Emeritus.
2. The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of Board w.e.f 10th May, 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

3. Mrs. Rajni Mishra (DIN: 07706571) has been re-appointed as an Independent Director Non-Executive category of the Company for a period of five consecutive years commencing from 12th February, 2026 to 11th February, 2031.
4. Mr. Malay Kumar De (DIN: 00117655) has resigned from his position as an Independent Director (Non-Executive Category) of the Company with effect from 20th May, 2025, due to his personal commitments. Mr. Malay Kumar De has confirmed that there are no other material reasons other then those mentioned above.
5. Mr. Subrata Bhattacharya (DIN: 03050155) was appointed as an Additional Independent Director of the Company with effect from 1st February, 2026. Subsequently, he has been appointed as an Independent Director (Non-Executive) for a term of five consecutive years, commencing from 1st February, 2026 and concluding on 31st January, 2031.

The Board has devised proper system to ensure compliance with provisions of all applicable laws and periodically reviewed the compliance reports of all laws applicable to the Company and necessary steps were taken to ensure the compliance in letter and spirit.

## Letter of appointment issued to Independent Directors

The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process disclosure, confidentiality, etc. The terms and conditions of appointment of IDs are available on the Company's website at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/disclosures/4b7c4a66-b121-4b56-99a9-4fe71ce10438-Terms-and-Conditions-ID.pdf .

## Information provided to the Board

During FY26, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.

## Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013, and the latest amendment bought in by SEBI in SEBI Listing Regulations, the Independent Directors met twice on 23rd January, 2026 and 30th March, 2026 during FY 2025-26 without the presence of Non-Independent Directors and Members of the Management. The meeting of the Independent Directors was chaired by Mr. Kishan Gopal Baldwa, Independent Director and Chairperson of the Audit Committee. The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board after considering the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

## Performance Evaluation

The Board carried out an annual performance evaluation of its own performance including the Independent Directors individually, as well as the evaluation of the working of the Committees of the Board and the Board as whole. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment of harmony. The Board acknowledges its intention to establish and follow "best practices" in Board governance to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board's time, and increased effectiveness of the Board as a governing body.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The Directors have expressed their satisfaction with the evaluation process.

## Board Committees:

The Board has constituted various committees as mandated under Chapter IV of the SEBI Listing Regulations to function in specific areas and to take informed decisions within delegated powers. Each Committee exercises its functions within the scope and area as defined in its constitution guidelines. The Company Secretary acts as the Secretary to all the Committees of the Board. These Committees are constituted in conformity of the SEBI Listing Regulations and the Act and are mentioned as follows:

- Audit Committee,
- Nomination and Remuneration Committee,
- Stakeholders Relationship Committee,
- Risk Management Committee,
- Corporate Social Responsibility (CSR) Committee

## Other Board Committees:

The Board, in addition to the mandatory Committees under Chapter IV of the SEBI Listing Regulations has constituted various other committees namely:

## Executive Committee

### Audit Committee:

The Company has a qualified and independent Audit Committee. The terms of reference, role, scope and composition of Audit Committee are in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.The Committee acts as a link between the management, the statutory and internal auditors and Board of Directors to oversee the financial reporting process.

As on 31st March, 2026, the Committee consists of 3 (Three) Directors, who bring with them vast experience in the field of accounts, finance & operations. The Company has immensely benefited from the deliberations of the Audit Committee. Besides the Committee members, Director-Finance, Chief Financial Officer and other functional heads and Auditors (Statutory/Internal/Cost) of the Company are invited to attend the meeting, as and when required.

The Chairman of the Audit Committee is an Independent Director, and the Company Secretary acts as the Secretary to the Committee.

The Audit Committee met 4 (Four) times during the Financial Year 2025-26. The meetings were held on 9th May, 2025, 22nd July, 2025, 7th November, 2025 and 24th January, 2026. The requisite quorum was present for all the meetings.

The composition of the Audit Committee and the details of meetings attended by the members during the Financial Year 2025-26 are as under:

| Name of the Director | Category | No. of Committee Meetings Attended out of (/) total No. of Meetings held |
|---|---|---|
| Mr. Kishan Gopal Baldwa | Chairman – Independent, Non-Executive | 4/4 |
| Mrs. Rajni Mishra | Member – Independent, Non-Executive | 4/4 |
| Mr. Sanjay Kumar Agarwal | Member -Executive | 1/4 |

### Brief terms of reference of the Audit Committee:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and replacement, remuneration, and terms of appointment of the internal auditor, cost auditor and statutory auditor and the fixation of audit fee.
- Reviewing and monitoring the auditor's independence and performance and the effectiveness of audit process.
- Approving payments to the statutory, internal and cost auditors for any other services rendered by statutory, internal and cost auditors.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be stated in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications and Modified opinion(s) in the draft audit report.
- Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Reviewing / monitoring with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;

- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- To review utilization of loans and / or advances from / investments by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

## Nomination and Remuneration Committee

The composition of the Nomination & Remuneration Committee is in line with the requirements of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. As on the date of this report, the committee comprised of three members wherein majority of them are Non-Executive Independent Directors.

5 (Five) meetings of Nomination and Remuneration Committee were held during the Financial Year 2025-26 i.e. on 08th May, 2025, 29th August, 2025, 24th October, 2025, 06th November, 2025 and 24th January, 2026.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by the Directors are as under:

| Name of the Director | Category | No. of Committee Meetings Attended out of total no. of meetings held |
|---|---|---|
| Mr. Kishan Gopal Baldwa | Chairman - Independent, Non-Executive | 5/5 |
| Mr. Shashi Kumar | Member – Independent, Non-Executive | 4/5 |
| Mrs. Rajni Mishra[1] | Member - Independent, Non-Executive | 4/4 |
| Mr. Mahabir Prasad Agarwal[2] | Member – Non-Independent, Non-Executive | 1/1 |

**Notes:**

1. Mrs. Rajni Mishra was appointed as a member of Nomination & Remuneration Committee w.e.f 10th May, 2025.
2. Mr. Mahabir Prasad Agarwal stepped down from the position of chairman in Board Meeting held on 09th May, 2025 and was simultaneously conferred the title of Chairman Emeritus, the committee was reconstituted on 9th May, 2025.

The Company Secretary acts as Secretary to the Committee.

Pursuant to section 178 of the Companies Act, 2013 and applicable provisions of the SEBI Listing Regulations, the Board has approved & adopted the terms of reference of the Committee.

Terms of Reference of the Nomination & Remuneration Committee.

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of performance of independent directors and the Board;
- Devising a policy on Board diversity;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report.;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining the Company's policy on specific remuneration packages for executive directors including person rights and any compensation payment and determining remuneration packages of such directors;
- Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including the following:
  - i. Administering the employees stock option plan (the "Plan")
  - ii. Determining the eligibility of employees to participate under the Plan;
  - iii. Granting options to eligible employees and determining the date of grant;
  - iv. Determining the number of options to be granted to an employee;
  - v. Determining the exercise price under the Plan;
  - vi. Deciding on matters such as quantum of and milestones for grant, eligibility of employees who shall be entitled to grant of options, vesting period and conditions thereof, termination policies, etc. and
  - vii. Construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan;
- Framing suitable policies and systems to ensure that there is no violation, as amended from time to time of any securities laws or any other applicable laws in India or oversea, including:
  - i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- Determine whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors;
- Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee;
- Recommending to the Board all remuneration, in whatever form, payable to senior management.
- To ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

## Performance Evaluation criteria for Independent Directors

Non-executive directors of the company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance to the Board simultaneously also oversee the corporate Governance framework of the company. The Nomination & Remuneration Committee has formulated a Policy for the Board, its Committees and Directors which contains the evaluation thereof and also formulate the criteria for determining qualifications, positive attributes and independence of a director. The Policy has been approved and adopted by the Board. The details of Board Evaluation forms part of the Board's Report.

## Remuneration to Directors

The Board of Directors of the Company has already adopted a policy for remuneration of the Board Members, Key Managerial Personnel (KMPs) & Senior Management Personnel (SMPs) in adherence with the provisions of the SEBI Listing Regulations, Section 178 of the Companies Act, 2013 and Rules made there under.

**(a) Remuneration to Non-Executive Directors:**

The Non-Executive Directors of the Company are paid remuneration by way of sitting fees for attending the meetings of the Board of Directors and its Committees. Besides the sitting fees, they are also entitled to re-imbursement of expenses for attending the meetings of the Board of Directors and its Committees. The Non-Executive Directors of the Company were not paid any other remuneration or commission.

The Non-Executive Directors are paid remuneration based on the criteria as mentioned in the Nomination Policy of the Company which is available at the weblink: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c5246fa2-61db-401e-9299-1e9e289b4312-Nomination-and-Remuneration-Policy.pdf.

**(b) Remuneration to Executive Directors:**

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Managing Director/ Whole Time Directors (MD/WTDs). Their remuneration is governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD / WTDs is subject to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors, members in due compliance of the provisions of Companies Act, 2013 and other applicable rules made there under.

## Remuneration paid to the Directors:

The details of remuneration paid to Whole-time Directors and Sitting Fees paid to Non-Executive Directors for the Financial Year 2025-26 are as below:

| Sl. No. | Name of the Director | Designation | Salary | Sitting Fees | No. of Shares held as on 31.03.2026 |
|---|---|---|---|---|---|
| 1. | Mr. Mahabir Prasad Agarwal[1] | Chairman, Director | - | - | 2,525 |
| 2. | Mr. Brij Bhushan Agarwal[2] | Chairman & Managing Director | 2,65,00,000 | - | 2,32,84,820 |
| 3. | Mr. Sanjay Kumar Agarwal | Joint Managing Director | 67,50,000 | - | 31,580 |
| 4. | Mr. Deepak Agarwal | Whole Time Director | 97,80,000 | - | 51,720 |
| 5. | Mr. Dev Kumar Tiwari | Whole Time Director | 67,64,412 | - | 36,400 |
| 6. | Mr. Sheetij Agarwal | Whole Time Director | 1,35,00,000 | - | - |
| 7. | Mr. Kishan Gopal Baldwa | Independent Director | - | 5,50,000 | 200 |
| 8. | Mr. Shashi Kumar | Independent Director | - | 2,00,000 | - |
| 9. | Mr. Nand Gopal Khaitan | Independent Director | - | 2,75,000 | 45 |
| 10. | Mrs. Rajni Mishra | Independent Director | - | 6,75,000 | - |
| 11. | Mr. Malay Kumar De[3] | Independent Director | - | 1,00,000 | - |
| 12. | Mr. Chandra Shekhar Verma | Independent Director | - | 3,50,000 | - |
| 13. | Mr. Subrata Bhattacharya[4] | Independent Director | - | NIL | - |
| **Total** | | | **6,32,94,412** | **21,50,000** | **2,34,07,290** |

**Note:**

1. Mr. Mahabir Prasad Agarwal stepped down from the position of Chairman in Board Meeting held on 9th May 2025 and was simultaneously conferred the title of Chairman Emeritus w.e.f 10th May, 2025.
2. The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of the Board w.e.f. 10th May 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.
3. Mr. Malay Kumar De (DIN: 00117655) has resigned from his position as an Independent Director (Non-Executive Category) of the Company with effect from 20th May, 2025, due to his personal commitments.
4. Mr. Subrata Bhattacharya (DIN: 03050155) was appointed as an Additional Independent Director of the Company with effect from 1st February, 2026. Subsequently, he has been appointed as an Independent Director (Non-Executive) for a term of five consecutive years, commencing from 1st February, 2026 and concluding on 31st January, 2031.

## Remuneration paid to Key Managerial Personnel:

The details of remuneration paid to Key Managerial Personnel for the Financial Year 2025-26 are as below:

| Sl. No. | Name of the Director | Designation | Salary |
|---|---|---|---|
| 1. | Mr. Brij Bhushan Agarwal* | Chairman & Managing Director | 2,65,00,000 |
| 2. | Mr. Sanjay Kumar Agarwal | Joint Managing Director | 67,50,000 |
| 3. | Mr. Sheetij Agarwal | Whole-time Director | 1,35,00,000 |
| 3. | Mr. Deepak Agarwal | Whole-time Director & CFO | 97,80,000 |
| 5. | Mr. Dev Kumar Tiwari | Whole-time Director | 67,64,412 |
| 6. | Mr. Birendra Kumar Jain | Company Secretary | 16,09,349 |

**Note:**
*The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of the Board w.e.f. 10th May 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

## Service Contracts, Severance Fee, Notice Period and Stock Options

The appointment of the Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company. The service contracts entered into with them are in accordance with the Remuneration policy of the Company and the relevant provisions of the Companies Act and the SEBI Listing Regulations, as applicable, which covers the terms and conditions of such appointment. There are no separate provisions for payment of severance fee under the resolutions governing the appointment of Executive Directors. Notice of three months is required to be given by a Executive Director seeking to vacate office and the resignation takes effect upon the expiration of the notice or its earlier acceptance by the Board.

## The details of the Service Contracts of the Executive Directors as below:

| Sl. No. | Name of the Executive Director | Designation | Service Contracts (Years) | From | To |
|---|---|---|---|---|---|
| 1. | Mr. Brij Bhushan Agarwal* | Chairman & Managing Director | 5 Years | 1st October, 2024 | 30th September, 2029 |
| 2. | Mr. Sanjay Kumar Agarwal | Joint Managing Director | 5 Years | 1st April, 2022 | 31st March, 2027 |
| 3. | Mr. Deepak Agarwal | Whole Time Director | 5 Years | 14th July, 2024 | 13th July, 2029 |
| 4. | Mr. Dev Kumar Tiwari | Whole Time Director | 5 Years | 1st April, 2022 | 31st March, 2027 |
| 5. | Mr. Sheetij Agarwal | Whole Time Director | 5 Years | 10th November, 2023 | 09th November, 2028 |

**Note:**
*The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of the Board w.e.f. 10th May 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

During the year under review, none of the Director were paid any bonus, pension or performance linked incentive.

### SMEL Employee Stock Incentive Plan – 2023 ("ESIP-2023")

The SMEL Employee Stock Incentive Plan – 2023 ("ESIP-2023") was approved by the Members of the Company through postal ballot on 7th July 2023 and subsequently amended and approved by the Members at their meeting held on 21st September 2023. The ESIP-2023 comprises the following two schemes:

1. SMEL Performance ESOP Scheme ("ESOP-2023"); and
2. SMEL Loyalty ESOP Scheme ("ESOP II-2023").

The schemes provide for grant of stock options to eligible employees of the Company and its subsidiary(ies), including eligible Directors, in accordance with the terms of ESIP-2023 and applicable laws, including the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"). The grant of stock options under ESIP-2023 does not form part of the remuneration payable to any Executive and/or Non-Executive Director.

Under ESOP-2023, the options are subject to vesting over a period of four years in the ratio of 20%, 23%, 23% and 34% on the first, second, third and fourth anniversaries, respectively, of the respective grant dates. Under ESOP II-2023, the options vest over a period of three years in the ratio of 40%, 30% and 30% on the first, second and third anniversaries, respectively.

During the Financial Year 2025-26, the following transactions were undertaken under ESIP-2023:

**Grant of Stock Options**

At its meeting held on 29th August 2025, the Nomination and Remuneration Committee granted 1,04,500 fresh stock options to five (5) eligible employees under ESOP-2023 at an exercise price of D679.43 per option, representing a discount of 25% to the prevailing market price.

**Vesting of Stock Options**

During the year, the second tranche of options vested on the second anniversary of the respective grant dates, as under:

- On 25th September 2025, 1,38,598 options, representing 23% of the respective grants, vested in favour of 41 eligible employees under ESOP-2023.
- On 27th September 2025, 3,910 options, representing 23% of the grant, vested in favour of one (1) eligible employee under ESOP-2023; and 57,900 options, representing 30% of the grant, vested in favour of five (5) eligible employees under ESOP II-2023.

**Exercise of Stock Options**

On 24th January 2026, four (4) eligible employees exercised an aggregate of 57,900 vested options arising from the second-anniversary vesting cycle under ESOP II-2023.

Out of the above, the following Directors exercised their vested options under ESOP II-2023:

- Mr. Deepak Agarwal – 20,700 stock options
- Mr. Dev Kumar Tiwari – 15,600 stock options

The necessary accounting treatment in respect of the aforesaid transactions has been made in the books of account for the

respective periods. The accounting policy and relevant disclosures in accordance with Ind AS 102 – Share-based Payment have been provided in the respective notes to the Standalone and Consolidated Financial Statements.

Further, the disclosures required under Regulation 14 of the SEBI SBEB & SE Regulations are available on the website of the Company. The Company has also obtained a certificate from M/s MKB & Associates, Secretarial Auditor, confirming that the ESIP-2023, comprising ESOP-2023 and ESOP II-2023, has been implemented in accordance with the SEBI SBEB & SE Regulations and the resolutions passed by the Members. The said certificate shall be available for electronic inspection by the Members during the ensuing Annual General Meeting.

**Pecuniary Relationship or transactions of Non-Executive Directors with the Company**

There is no pecuniary relationship or transactions of the Non-Executive Directors vis a-vis the Company except for the sitting fees paid to them for attending the Board and the Committee Meetings and reimbursement of expenses for attending the Board and Committee Meetings. The non-executive directors are also paid dividend if declared by the company against the equity shares of the company, if any, held by them.

**Stakeholders' Relationship Committee**

The Stakeholders Relationship Committee has been constituted to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders to align with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations.

The Stakeholder Relationship Committee meetings met 4 (Four) times during the Financial Year 2025-26 i.e. on 8th May, 2025, 22nd July, 2025, 6th November, 2025 and 24th January, 2026.

As on 31st March, 2026, the Committee comprises of 3 (Three) Directors. The Composition of Stakeholders Relationship Committee and the details of the meeting attended by the members are as follows:

| Name of the Member | Category | Designation | No. of Committee Meetings attended out of total no. of meetings held |
|---|---|---|---|
| Mr. Chandra Shekhar Verma | Non-Executive, Independent | Chairman | 4/4 |
| Mr. Sanjay Kumar Agarwal | Executive, non-independent | Member | 1/4 |
| Mrs. Rajni Mishra | Non-Executive, Independent | Member | 4/4 |

The Company Secretary acts as Secretary to the Committee.

**Terms of reference of the Stakeholders' Relationship Committee:**

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

a) Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/ transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;

b) Giving effect to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c) Dematerialisation of shares and re-materialisation of shares, issue of duplicate certificates and new certificates on split/consolidation/renewal;

d) Overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

e) Carrying out any other function as prescribed under the SEBI Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

f) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders.

g) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

h) Review of measures taken for effective exercise of voting rights by shareholders.

i) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

j) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Name and Designation of Compliance Officer:

Mr. Birendra Kumar Jain - Company Secretary & Compliance Officer

Name and Designation of Contact Person of Registrar and Share Transfer Agent of the Company

Ms. Swati Reddy – Manager "M/s Kfin Technologies Limited"

Number of Investor Complaints received during the Financial Year:

The details of investor complaints received and resolved during the financial year ended March 31, 2026 are mentioned below. The complaints relate to non-receipt of annual report, dividend, share transfers and other investor grievances. During the year i.e. from 01.04.2025 to 31.03.2026, the status of complaints are as under:

| | | |
|---|---|---|
| Complaints pending as on 01.04.2025 | — | Nil |
| Complaints received from Investors | — | 19 |
| Complaints replied/resolved | — | 19 |
| Complaints pending as at 31.03.2026 | — | Nil |

## Risk Management Committee (RMC)

The Board of Directors has constituted a Risk Management Committee (RMC) in its meeting held on 15th March, 2022 in terms of Regulation 21 of the SEBI Listing Regulations. The Chairman of the Audit Committee is also the Chairman of the Risk Management Committee.

Based on the recommendation of the Audit Committee, the Board of Directors has adopted a Risk Management Policy. The RMC makes assessment of the framework of the Risk assessment process and assess the potential Risks and concerns for the company as well as suggests the best course of action to mitigate and avoid such risks.

During the Financial Year 2025-26, the Risk Management Committee Meetings were held twice on 8th May, 2025 and 6th November, 2025. The requisite quorum was present for all the meetings.

As on 31st March, 2026, the Committee comprises of 3 (three) Directors. The Composition of Risk Management Committee and the details of the meeting attended by the members are as follows:

| Name of the Member | Category | Designation | No. of Committee Meetings attended out of total no. of meetings held |
|---|---|---|---|
| Mr. Kishan Gopal Baldwa | Non-Executive Independent Director | Chairman | 1/2 |
| Mr. Brij Bhushan Agarwal | Executive Director | Member | 2/2 |
| Mr. Deepak Agarwal | Executive Director | Member | 2/2 |

The Terms of Reference of the committee are:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- Overseeing key risks, including strategic, financial, operational, IT (including cyber security) and compliance risks;
- Assisting the Board in framing, implementing, and monitoring the risk management plan for the Company and reviewing and guiding the Risk Policy;
- Developing risk management policy and risk management system / framework for the Company.

## Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was initially constituted by our Board of Directors at their meeting held on December 13, 2014 pursuant to the requirement of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Board in its meeting held on 15th May, 2018 has approved the CSR Policy as formulated and recommended by CSR Committee in accordance with the requirements of the Companies Act, 2013 and rules made thereunder. The same was amended from

time to time pursuant to the relevant amendments notified by the Ministry of Corporate Affairs.

The brief terms of reference of the committee are:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- Recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII of the Companies Act, 2013;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time;
- To formulate and recommend to the Board, an annual action plan in pursuance to the CSR Policy;
- To oversee that Company's CSR Implementing Agencies are registered with the Ministry of Corporate Affairs;
- To monitor all the compliances w.r.t CSR Spending, Transfer of unspent amount, setting off the excess amount spend, ongoing projects, etc.

The Corporate Social Responsibility Committee meetings were held 4 (Four) times during the Financial Year 2025-26 on 8th May, 2025, 22nd July, 2025, 6th November, 2025 and 24th January, 2026.

The Composition of Corporate Social Responsibility Committee and the details of the meeting attended by the members are as follows:

| Name of the Member | Category | Designation | No. of Committee Meetings attended (/) out of the total no. of meetings held |
|---|---|---|---|
| Mr. Mahabir Prasad Agarwal[1] | Non-Executive, Non-Independent | Chairman | 1/1 |
| Mrs. Rajni Mishra[2] | Non-Executive, Independent | Chairman | 4/4 |
| Mr. Brij Bhushan Agarwal | Executive, Non-Independent | Member | 4/4 |
| Mr. Deepak Agarwal[3] | Executive, Non-Independent | Member | 3/3 |

**Note:**

1. Mr. Mahabir Prasad Agarwal stepped down from the position of Chairman in Board Meeting held on 9th May 2025 and was simultaneously conferred the title of Chairman Emeritus.
2. The committee was reconstituted on 10th May, 2025 and Mrs. Rajni Mishra was appointed as a chairman.
3. Mr. Deepak Agarwal has been appointed as a members of Corporate Social Responsibility Committee w.e.f 10th May, 2025.

The CSR Policy of the Company is available on the Company's website at: https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/63e3ceac-06e0-4038-a662-8fdaeb129e4a-SMEL_Policy-Doc_CSR-Policy.pdf.

## Executive Committee

The Company also has an Executive Committee. The terms of reference of this Committee are determined by the Board and its relevance is reviewed from time to time. Meetings of each of this Committee is convened by the Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

During the Financial Year 2025-26, the Executive Committee meetings were held on 23rd April, 2025, 28th May, 2025, 14th July, 2025, 6th August, 2025, 2nd September, 2025, 12th September, 2025, 1st November, 2025, 10th November, 2025, 17th December, 2025, 4th February, 2026, 21st February, 2026, 14th March, 2026 and 30th March, 2026.

The Composition of Executive Committee and the details of the meeting attended by the members are as follows:

| Name of the Member | Category | Designation | No. of Committee Meetings attended (/) out of the total no. of meetings held |
|---|---|---|---|
| Mr. Mahabir Prasad Agarwal[1] | Executive, Non-Independent | Chairman | 1/1 |
| Mr. Brij Bhushan Agarwal[2] | Executive, Non-Independent | Chairman | 13/13 |
| Mr. Sanjay Kumar Agarwal | Executive, Non-Independent | Member | 13/13 |
| Mr. Deepak Agarwal | Executive, Non-Independent | Member | 13/13 |

**Note:**

1. Mr. Mahabir Prasad Agarwal ceased to be a member and Chairman of the Committee w.e.f. 9th May 2025 due to stepped down from the position of Chairman in Board meeting held on 9th May 2025 and was simultaneously conferred the title of Chirman Emeritus.
2. Mr. Brij Bhushan Agarwal was designated as Chairman of the committee w.e.f 10th May 2025.

The brief terms of reference of the executive committee are:

- To open and close banking account(s) including Demat account(s) of the Company in India and/or abroad and to authorize office bearers to operate such banking account(s) including internet banking, phone banking or otherwise;
- To enter into, carry out, rescind or vary all financial arrangements, with any bank, persons or corporations, for or in connection with the Company's business or affairs, and pursuant to or in connection with such arrangements, to deposit, pledge, lien or hypothecate any deposits, shares, securities, other investments and/or properties of the Company, or the documents representing or relating to the same subject to overall limitation of the amount which may be borrowed by the Board of Director under section 180(1)(c) of the Companies Act, 2013;
- To authorize Directors of the Company and other person(s) to execute and sign such documents, deeds, agreements, papers and to create security on the assets of the Company in favour of the banks, financial institutions, corporate bodies, NBFCs and others to avail credit facilities and also to authorize Directors of the Company and other persons to affix common seal of the Company by any of such person so authorized to execute the documents;
- To make loans, deposits in banks or with others, advances, issue guarantees, invest in shares and securities, mutual funds, other investments in India or abroad including the Company's subsidiaries, associates, joint ventures/consortiums and to authorize Directors or others to execute any documents required to be executed for the purpose and also to authorize any Director to affix the common seal of the Company in their presence;
- To enter into any understandings or other agreements with other companies, firms, concerns, individuals in India or abroad for execution of any work/contract for attainment of main objects of the Company with such terms and conditions as deemed fit and proper and to authorize the Directors, employees or others to execute the same for and on behalf of the Company;
- To submit tenders, bids, offers, quotations and to negotiate, modify the same and for the purpose delegate such powers to the Directors, employees or others to enter into negotiations, contracts, arrangements, agreements with the others in the manner and with such terms and conditions as felt expedient and proper;
- To execute power of attorney(s) with such powers and responsibilities as may be deemed fit and proper in favour of the Director, employees of the Company and others from time to time;
- To purchase/sell/lease/dispose off/hire/take on rent movable and immovable assets for and belonging to the Company subject to compliance of Section 180(1)(a) of the Companies Act, 2013, wherever applicable and for that to authorize the Directors, employees and/or others in respect thereof;
- To undertake and execute the derivative transactions and/or foreign exchange transactions as well as to manage the foreign exchange risk exposure and to delegate such powers to any of Company Directors and/or employees;
- To institute, defend, compromise, withdraw or abandon any legal proceedings by or against the Company, or the Board members or its Officers or otherwise concerning the affairs of the Company including for its subsidiaries, associates, joint ventures, consortium among others and also to compound offences committed under various statutes and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company;
- To refer any claims or demands or disputes by or against the Company to arbitration, and to observe and perform the award;
- To subscribe or contribute or otherwise to assist any charitable, benevolent, religious, scientific or useful object of a public character of institutions the object of which shall have any moral or other claim for support for aid by the Company either by person or locality of operation or of public and general utility or otherwise subject to provisions of Section 179 of the Companies Act, 2013;
- To carry out or exercise such other powers as delegated by the Board from time to time;
- In discharging its role, the Committee may inquire into any matter it considers appropriate to carry out its purpose and responsibilities, with access to all books, records, facilities and personnel of the Company;
- The Committee also has authority to retain advisors, consultants and/or counsel to assist it in carrying out its activities.

## General Body Meetings

Particulars of last three Annual General Meetings:

| Financial Year | Venue | Date and time | Special Business requiring Special Resolution |
|---|---|---|---|
| 2024-2025 | Through Video Conference/ Other Audio-Visual Means (VC/OAVM) | 26th August, 2025 at 3:00 P.M | • Approval for enhancement of the borrowing limit of the Company up to ₹9,000 crores under Section 180 (1) (c) of the Companies Act, 2013.<br>• Approval for creation of Mortgage and/or charge creation on movable and immovable assets and properties of the Company under Section 180 (1) (a) of the Companies Act, 2013.<br>• Authorization for increasing the limit for loan and investment up to ₹9,000 Crores under section 186 of the Companies Act, 2013.<br>• Approval for raising funds through issuance of securities of the Company up to ₹4,500 crores.<br>• To approve raising of funds by way of issuance of Non-Convertible Debentures (NCDS) / Bonds/ other instruments aggregating to ₹3,000 crore (Rupees Three Thousand Crore) and to delegate the powers to any Committee empowered by the Board. |
| 2023-2024 | Through Video Conference/ Other Audio-Visual Means (VC/OAVM) | 6th September, 2024 at 3:00 P.M. | • Appointment of Mr. Chandra Shekhar Verma as an Independent Director of the Company |
| 2022-2023 | Through Video Conference/ Other Audio-Visual Means (VC/OAVM) | 21st September, 2023 at 3:00 P.M. | • Appointment of Mr. Malay Kumar De (DIN No. 00117655) as an Independent Director of the Company.<br>• Appointment of Mr. Shashi Kumar (DIN No. 00116600) as an Independent Director of the Company.<br>• Amendment/Modification in the SMEL Employees Stock Incentive Plan – 2023.<br>• Authorization under section 185 of the Companies Act, 2013 for an amount not exceeding ₹4,500 Crores.<br>• Authorization under section 186 of the Companies Act, 2013 for an amount not exceeding ₹4,500 Crores.<br>• To consider and obtain fresh approval for raising of funds for an amount not exceeding of ₹3,600 Crores. |

## Extra-Ordinary General Meeting

During the F.Y. 2025-26, no extraordinary general meeting was held.

## Postal Ballot

During the financial year 2025–26, the Company sought the approval of its shareholders through a postal ballot for the resolutions set out below. The postal ballot included both Ordinary Resolutions and Special Resolutions, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. The details of the resolutions passed through the postal ballot are provided below:

| Sl. No. | Postal Ballot Notice Dated | Type of Resolution | Agenda | Details |
|---|---|---|---|---|
| 1. | 9th May, 2025 | Ordinary Resolution | Appointment of Mr. Brij Bhushan Agarwal (DIN: 01125056) as the Executive Chairman of the company and his consequent re-designation as Chairman & Managing Director of the company. | The voting period for remote e-voting commenced on 5th June, 2025 at 9.00 a.m. (IST) and ended on 4th July, 2025 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the resolutions was provided by the Scrutinizer on 5th July, 2025. |
| 2. | 07th November, 2025 | Special Resolution | Re-Appointment of Mrs. Rajni Mishra (DIN: 07706571) as an Independent Director of the Company for the Second term of 5 (five) consecutive years. | The voting period for remote e-voting commenced on 24th November, 2025 at 9.00 a.m. (IST) and ended on 23rd December, 2025 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the resolutions was provided by the Scrutinizer on 24th December, 2025. |
| | | Ordinary Resolution | Revision in the terms of remuneration of Mr. Sheetij Agarwal (DIN: 08212992), Whole-Time Director of the Company. | |
| | | Ordinary Resolution | Revision in the terms of remuneration of Mr. Dev Kumar Tiwari (DIN: 02432511), Whole-Time Director of the Company. | |
| 3. | 24th January, 2026 | Special Resolution | Appointment of Mr. Subrata Bhattacharya (DIN: 03050155) as Independent Director of the Company for a term of 5 (five) consecutive years w.e.f 01.02.2026 till 31.01.2031 | The voting period for remote e-voting commenced on 12th February, 2026 at 9.00 a.m. (IST) and ended on 13th March, 2026 at 5.00 p.m. (IST). The consolidated report on the result of the postal ballot through remote e-voting for approving the resolutions was provided by the Scrutinizer on 16th March, 2026. |

**The details of e-voting results on the aforementioned resolution(s) are as under:**

**Item No. 1 as Ordinary Resolution (Postal Ballot Notice dated 09th May, 2025)**

To approve appointment of Mr. Brij Bhushan Agarwal (DIN: 01125056) as the Executive Chairman & Managing Director of the Company with effect from 10th May, 2025 and his consequent re-designation as the Chairman & Managing Director of the Company.

| | Voting through e-voting | | Voting through Postal Ballots Forms | | Consolidated Voting Results | | |
|---|---|---|---|---|---|---|---|
| | No. of Members who voted | No. of votes cast | No. of Ballots | No. of votes cast | No. of Members who voted | No. of votes cast | % of total number of valid votes cast |
| Voted in favour of the resolution | 572 | 24,40,21,986 | NA | NA | 572 | 24,40,21,986 | 99.2311 |
| Voted against the resolution | 51 | 18,90,811 | NA | NA | 51 | 18,90,811 | 0.7689 |
| **Total** | **623** | **24,59,12,797** | **NA** | **NA** | **623** | **24,59,12,797** | **100** |

**Item No. 1 as Special Resolution (Postal Ballot Notice dated 07th November, 2025)**

To approve re-appointment of Mrs. Rajni Mishra (DIN: 07706571) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 12th February, 2026 to 11th February, 2031.

| | Voting through e-voting | | Voting through Postal Ballots Forms | | Consolidated Voting Results | | |
|---|---|---|---|---|---|---|---|
| | No. of Members who voted | No. of votes cast | No. of Ballots | No. of votes cast | No. of Members who voted | No. of votes cast | % of total number of valid votes cast |
| Voted in favour of the resolution | 416 | 24,54,60,937 | NA | NA | 416 | 24,54,60,937 | 99.8467 |
| Voted against the resolution | 48 | 3,76,836 | NA | NA | 48 | 3,76,836 | 0.1533 |
| **Total** | **464** | **24,58,37,773** | **NA** | **NA** | **464** | **24,58,37,773** | **100** |

**Item No. 2 as Ordinary Resolution (Postal Ballot Notice dated 07th November, 2025)**

To approve revision in remuneration of Mr. Sheetij Agarwal (DIN 08212992), Whole-time Director of the Company with effect from 1st April, 2026 till his residual tenure in office.

| | Voting through e-voting | | Voting through Postal Ballots Forms | | Consolidated Voting Results | | |
|---|---|---|---|---|---|---|---|
| | No. of Members who voted | No. of votes cast | No. of Ballots | No. of votes cast | No. of Members who voted | No. of votes cast | % of total number of valid votes cast |
| Voted in favour of the resolution | 398 | 22,78,12,752 | NA | NA | 398 | 22,78,12,752 | 92.6679 |
| Voted against the resolution | 66 | 1,80,24,978 | NA | NA | 66 | 1,80,24,978 | 7.3321 |
| **Total** | **464** | **24,58,37,730** | **NA** | **NA** | **464** | **24,58,37,730** | **100** |

**Item No. 3 as Ordinary Resolution (Postal Ballot Notice dated 07th November, 2025)**

To approve revision in remuneration of Mr. Dev Kumar Tiwari (DIN-02432511), Whole-time Director of the Company with effect from 1st April, 2025 till his residual tenure in office.

| | Voting through e-voting | | Voting through Postal Ballots Forms | | Consolidated Voting Results | | |
|---|---|---|---|---|---|---|---|
| | No. of Members who voted | No. of votes cast | No. of Ballots | No. of votes cast | No. of Members who voted | No. of votes cast | % of total number of valid votes cast |
| Voted in favour of the resolution | 428 | 24,58,28,966 | NA | NA | 428 | 24,58,28,966 | 99.9964 |
| Voted against the resolution | 35 | 8,762 | NA | NA | 35 | 8,762 | 0.0036 |
| **Total** | **463** | **24,58,37,728** | **NA** | **NA** | **463** | **24,58,37,728** | **100** |

**Item No. 1 as Special Resolution (Postal Ballot Notice dated 24th January, 2026)**

To approve the appointment of Mr. Subrata Bhattacharya (DIN: 03050155) as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five years commencing with effect from 1st February, 2026 to 31st January 2031 (both days inclusive).

| | Voting through e-voting | | Voting through Postal Ballots Forms | | Consolidated Voting Results | | |
|---|---|---|---|---|---|---|---|
| | No. of Members who voted | No. of votes cast | No. of Ballots | No. of votes cast | No. of Members who voted | No. of votes cast | % of total number of valid votes cast |
| Voted in favour of the resolution | 456 | 23,90,41,263 | NA | NA | 456 | 23,90,41,263 | 99.9992 |
| Voted against the resolution | 24 | 1,912 | NA | NA | 24 | 1,912 | 0.0008 |
| **Total** | **480** | **23,90,43,175** | **NA** | **NA** | **480** | **23,90,43,175** | **100** |

**Procedure for Postal Ballot:** The Postal Ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations, Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, each as amended and General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 , respectively and subsequent circulars issued in this regard, the latest being 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA Circulars"). The Company had provided the facility to the shareholders to exercise their votes electronically and vote on the resolutions through the e-voting service facility arranged by NSDL.

The Company had engaged the services of National Securities Depository Limited (NSDL) for providing remote e-Voting facilities to the Members, enabling them to cast their vote electronically and in a secure manner.

The Board of Directors had appointed Mr. Raj Kumar Banthia (ACS- 17190), partner of M/s. MKB & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.

The above postal ballot resolutions were passed by the requisite majority as follows: Resolution No. 1 was passed on 04th July 2025, Resolution No. 2 was passed on 23rd December 2025 and Resolution No. 3 was passed on 13th March 2026.

There is no immediate proposal for passing of any resolution through Postal Ballot and none of the businesses proposed to be transacted at the ensuing Annual General Meeting is necessitated to be passed through Postal Ballot.

## Senior Management

The particulars of senior management, where there have been no changes therein since the close of the previous financial year, are as given below:

| Particulars | Name of the Personnel | Designation |
|---|---|---|
| Core Management Team | Brij Bhushan Agarwal* | Chairman & Managing Director |
| | Sanjay Kumar Agarwal | Joint Managing Director |
| | Deepak Agarwal | Director- Finance & CFO |
| | Dev Kumar Tiwari | Whole-time Director |
| | Sheetij Agarwal | Whole-time Director |
| One Level below the MD or CEO or BOD and Functional Head | Suryakant Kahal Singh | Chief Operating Officer |
| | Trilochan Sharma | President |
| | Aneesh Mishra | Associate President |
| | Niranjan Mohapatra | Sr. Vice President |
| | Sanjib Mohanty | Vice President |
| | Prashant Kumar | General Manager |
| | Sharad Kumar Sinha | Corporate HR Head |
| Company Secretary & Compliance Officer | Birendra Kumar Jain | Company Secretary & Compliance Officer |

**Note:**
*The Board has appointed Mr. Brij Bhushan Agarwal as the Executive Chairman of the Board w.e.f 10th May 2025 and accordingly he has been re-designated as Chairman & Managing Director (CMD) of the Company.

## Means of Communication

The quarterly, half-yearly and the annual financial results are published in the proforma prescribed under the SEBI Listing Regulations, in English Newspaper (in Financial Express/ Economic Times/ Business Standard) having wide circulation and another in the vernacular language in Bengali (in Arthik Lipi) and in Hindi (Jansatta). The quarterly/annual results, Earnings calls or Presentations with analysts or with institutional investors and investors and official news releases along with various other information, are sent to the Stock Exchanges, as well as also hosted on Company's website i.e. www.shyammetalics.com

All disclosures as required under the SEBI Listing Regulations are made to respective Stock Exchanges where the securities of the Company are listed. The same are also available on the Company's website at www.shyammetalics.com

- **Stock Press / News Releases**

  The Company regularly uploads Official Press Releases including Press Release on Financial Results of the Company to the Stock Exchanges and the same are subsequently hosted on the website of the Company.

- **Presentations made to institutional investors / analysts**

  Presentations to be made during Post Earnings' Call are also filed with the Stock Exchanges. All price sensitive information are promptly intimated to the Stock Exchanges before being released to the media, other stakeholders and uploaded on the website of the Company.

## General shareholder information:

| | |
|---|---|
| Incorporation | The Company was incorporated in Kolkata, in the State of West Bengal on December 10, 2002 |
| Corporate Identification Number (CIN) | L40101WB2002PLC095491 |
| Date, time and venue/Mode of AGM | 25th August, 2026, at 3.00 PM through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) |
| Venue | Through Video conference (VC)/ Other Audio Visual Means (OAVM) |
| Financial Year | 1 April to 31 March |
| 1st quarter results by | Within 2nd week of August, 2026 |
| 2nd quarter results by | Within 2nd week of November, 2026 |
| 3rd quarter results by | Within 2nd week of February, 2027 |
| Annual Results for the year ending on 31.03.2027 | Within 60 days from the end of the Financial Year. |
| Date of Book Closure | 19th August, 2026 to 25th August, 2026 (both days inclusive) |
| Dispatch of Annual report | 21 (clear) days before the meeting or by electronic mode as per circular of MCA and SEBI from time to time. |

## Dividend paid during the financial year:

| SL. No. | F.Y. | Type of Dividend | Date of Payout | Dividend per Share (in ₹) |
|---|---|---|---|---|
| 1. | 2025-26 | Interim Dividend | 2nd August, 2025 | 1.80/- |
| 2 | 2025-26 | Final Dividend for FY 2024-25 | 30th August, 2025 | 2.25/- |

## Listing on Stock Exchanges

**Your Company's shares are listed on the following Stock Exchanges:**

| **BSE Limited** | **National Stock Exchange of India Limited** |
|---|---|
| 25, Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai - 400 001<br>Email: corp.relations@bseindia.com<br>Website: https://www.bseindia.com/<br>Scrip code: 543299<br>ISIN: INE810G01011 | Exchange Plaza, Bandra Kurla Complex, Bandra (E),<br>Mumbai- 400051<br>Email: cmlist@nse.co.in<br>Website: www.nseindia.com<br>Scrip symbol: SHYAMMETL<br>ISIN: INE810G01011 |

The Company has paid the requisite Annual Listing and Custodial Fees to the Stock Exchanges and Depositories viz. CDSL and NSDL for the year 2026-27.

| | |
|---|---|
| Registrar and Share Transfer Agent | In compliance with the SEBI directive, the Company has appointed KFin Technologies Ltd, as its Registrar and Share Transfer Agent having registered office at:<br>Selenium Building, Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana, 500032<br>Email id:- einward.ris@kfintech.com,<br>Telephone 1800-309-4001<br>All the queries related to shares may be forwarded directly to the Company's RTA.<br>However, documents relating to shares are also received at the Company's Registered Office at P-19, (Plate No.: D-403), Taratala Road, CPT Colony, Kolkata, West Bengal 700088 Tel. No: +91 33 6521 6521, |

## Investor grievance and share transfer system

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the entire Board.

As per Regulation 40(1) of the SEBI Listing Regulations, as amended, Physical transfer of shares has been dispensed with and securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019. Effective from 24th January, 2022, SEBI has mandated for Listed Companies to issue shares in demat form only, after processing the requests in prescribed Form ISR-4 received for issue of duplicate certificate, transmission, transposition, renewal/ exchange of share certificate, endorsement, sub-division/ splitting of certificate, consolidation of certificates, claim from Unclaimed Suspense Account, etc. The RTA will after be processing such requests issue a Letter of Confirmation to the concerned shareholder for submission to DP within 120 days from the date of issue of Letter of Confirmation for dematerialization of shares. In case shareholders fail to submit the demat request within the aforesaid period, the RTA shall credit the shares to Suspense Escrow Demat Account of the Company.

The Company, on receipt of proper documentation, registers transmission of its securities in the name of the nominee/ legal heir and issue certificates or receipts or advices, as applicable, of the same; or issue any valid objection or intimation to them, as the case may be, within a period of fifteen days from the date of receipt of request.

All communications regarding share certificates, change of address, dividends, etc. should be addressed to the RTA. Transfer of shares in electronic form were processed and approved by NSDL and CDSL through their Depository Participant without the involvement of the Company.

### Special Window for re-lodgement of transfer requests of Physical Shares

In accordance with SEBI Circular dated 2nd July, 2025, a Special Window was opened from 7th July, 2025 to 6th January, 2026 for the relevant shareholders for re-lodgement of Transfer Deeds lodged before 1st April, 2019 but rejected, returned or unattended due to deficiencies in the documents/process/ or otherwise. In a further effort to facilitate the investors to get rightful access to their securities, SEBI vide circular dated January 30, 2026, opened another special window for a period of one year from February 05, 2026 to February 04, 2027 for re-lodgement of transfer deeds which were lodged prior to the deadline of April 01, 2019 and rejected/returned/ not attended to due to deficiency in the documents/ process/or otherwise.

Transfers under this window are permitted only in demat mode and the credited securities will remain under one year lock-in from the date of registration of transfer. Further, cases involving disputes between transferor and transferee will not be considered in this window and may be settled by transferor and transferee through court/ NCLT process. Also, securities which have been transferred to Investor Education and Protection Fund (IEPF) shall not be considered under this window for processing.

## Nomination facilities

Section 72 of the Act read with Rule 19(1) of The Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of the Company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In case the shares are held in physical mode, the nomination form may be obtained from the Registrar & Share Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the DP as per the formats prescribed by them. Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit to RTA the prescribed Forms SH-13/SH-14. Further, shareholders who want to opt out of the nomination, may submit Form ISR–3, after cancelling his existing nomination, if any, through Form SH-14.

The Nomination form is available at the website of the Company at www.shyammetalics.com.

## Dividend remittance

Dividend on equity shares as recommended by the Board for the year ended 31st March 2026, when declared at the ensuing AGM will be paid within 30 days from the date of declaration.

The dividend would be paid to all the equity shareholders, whose names would appear in the Register of Members / list of Beneficial Owners on the close of the market day prior to start of book closure.

## Unclaimed / Unpaid Dividend

The amount of unclaimed dividend lying in credit of separate banking accounts. Members may please note that pursuant to Section 124(5) and Section 125 of the Act, the amount lying in credit of any unpaid dividend account if, remained un-claimed for 7 years or more from the date it became unpaid / unclaimed shall be transferred to the Investor Education and Protection Fund. Therefore, Members who have so far not encashed their dividend warrants or have not received the dividend warrants may write to the Company or its' Share Transfer Agent for issue of Banker's Cheque / Bank drafts. Shareholders are requested to provide their Bank Account details to be printed on the Bank drafts / Banker's Cheques.

### Distribution of shareholding as on 31st March, 2026

| Sl. No. | Category (Shares) | No. of Holders | % to Holders | No. of Shares | % To Equity |
|---|---|---|---|---|---|
| 1 | 1 - 5000 | 1,01,050 | 99.63 | 83,33,095 | 2.99 |
| 2 | 5001 - 10000 | 128 | 0.13 | 9,20,875 | 0.33 |
| 3 | 10001 - 20000 | 85 | 0.08 | 11,74,409 | 0.42 |
| 4 | 20001 - 30000 | 28 | 0.03 | 6,90,862 | 0.25 |
| 5 | 30001 - 40000 | 23 | 0.02 | 8,07,562 | 0.29 |
| 6 | 40001 - 50000 | 11 | 0.01 | 5,13,005 | 0.18 |
| 7 | 50001 - 100000 | 41 | 0.04 | 29,47,052 | 1.06 |
| 8 | 100001 and above | 57 | 0.06 | 26,37,44,993 | 94.49 |
| **TOTAL:** | | **1,01,423** | **100.00** | **27,91,31,853** | **100.00** |

### Shareholding pattern of the Company as on March 31, 2026:

| Category of shareholders | | No. of shareholders | No. of shares | % of shares |
|---|---|---|---|---|
| (A) | Promoter & Promoter Group | | | |
| | Individuals/HUF | 9 | 2,68,40,351 | 9.62 |
| | Bodies Corporate | 6 | 18,13,54,390 | 64.97 |
| | **Sub-total (A)** | **15** | **20,81,94,741** | **74.59** |
| (B) | Public | | | |
| | Mutual Funds | 20 | 45,50,029 | 1.63 |
| | Alternate Investment Funds | 6 | 12,77,347 | 0.46 |
| | Insurance Companies | 5 | 1,97,72,989 | 7.08 |
| | Foreign Portfolio Investors | 81 | 86,36,071 | 3.09 |
| | Resident Individuals | 97,362 | 1,32,77,478 | 4.76 |
| | Non-Resident Indian Non Repatriable | 748 | 2,22,065 | 0.08 |
| | Non Resident Indian Repatriable | 761 | 2,13,575 | 0.07 |
| | Bodies Corporate | 493 | 2,15,64,105 | 7.73 |
| | Trusts | 5 | 3,238 | 0.00 |
| | HUF | 1,925 | 5,74,634 | 0.21 |
| | Clearing Members | 1 | 40 | 0.00 |
| | **Sub-total (B)** | **1,01,407** | **7,00,91,571** | **25.11** |
| (C) | Non Promoter – Non Public | | | |
| | Employees Welfare Trust | 1 | 8,45,541 | 0.30 |
| | **Sub-total (C)** | **1** | **8,45,541** | **0.30** |
| **Total (A)+(B)+(C)** | | **1,01,423** | **27,91,31,853** | **100** |

### Dematerialization of shares and liquidity

As on 31st March, 2026, 27,91,31,853 shares comprising of 100 % of the paid-up capital of the Company are in dematerialized mode. The promoters of the Company, holds around 74.59% of the Paid-up Capital of the Company, as on 31st March, 2026.

**Demat ISIN Number of Company's Equity Shares for NSDL and CDSL:** INE810G01011

**Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and the likely impact on equity:** Nil

### Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

Since the Company does not have any commodity price risk exposure hedged through commodity derivatives, accordingly, other details as required under SEBI Circular No. SEBI / HO / CFD / CMD1 / CIR / P / 2018 / 0000000141 dated November 15, 2018 are not applicable to the Company.

The Company is exposed to risk in respect of price fluctuation of raw materials as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. Accordingly, requirement of hedging is minimal. During the Financial Year ended 31st March, 2026, the Company had managed the foreign exchange risk and hedged to the extent necessary. The Company entered into Forward Contracts and Packing Credit in foreign currency (PCFC) for hedging foreign exchange exposures against export / import.

In terms of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report. Disclosures relating to risks including commodity price risk, foreign exchange risk, hedging activities etc., have been adequately covered under the Management Discussion and Analysis Report. Further details relating to risks and activities including financial risk management have been adequately disclosed in Note No. 42 to the Notes to the Standalone Financial Statements for the financial year ended March 31, 2026.

| **Plant Location:** |
|---|
| SHYAM METALICS AND ENERGY LIMITED |
| Sambalpur Village: Pandloi, PO: Lapanga, Dist: Sambalpur, PIN: 768212 (Odisha) |

| | |
|---|---|
| Address for correspondence | Company Secretary & Compliance Officer<br>Shyam Metalics and Energy Limited<br>P-19, (Plate No.: D-403), Taratala Road, CPT Colony, Kolkata,<br>West Bengal 700088 Tel: +91 33 6521 6521 |
| E-mail ID for investors' grievance | compliance@shyamgroup.com |

### Credit Rating

| Date | Facility Type | Rating | Rating Agency |
|---|---|---|---|
| 6th November,2025 | Long-term Rating | CRISIL AA+/Stable (Upgraded) | CRISIL Rating Limited |
| | Short-term Rating | CRISIL A1+ (Reaffirmed) | |
| | Commercial Paper | CRISIL A1+ (Reaffirmed) | |

List of all credit ratings obtained by the entity along with any revisions thereto, during the relevant financial year are disclosed on the website of the Company.

**Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:** Not applicable as no shares are lying in Suspense Account.

## OTHER DISCLOSURES

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

There were no materially significant related party transactions made by the Company with its Promoters, Directors or the management and its subsidiaries or relatives, among others, that may have potential conflict with the interests of the Company at large and are carried at arm's length basis or fair value. The Register of Contracts containing the transactions in which the Directors are interested, is placed before the Board regularly for its approval. The Audit Committee reviews periodically the related party transactions and the Committee provided omnibus approval for related party transactions which are in ordinary course of business (repetitive in nature) and are on Arm's Length basis. All transactions covered under the related party transactions are regularly approved by the Board. As required under the SEBI Listing Regulations, the Company has formulated a policy on dealing with related party transaction and the same is available on the website of the Company i.e. https://www.shyammetalics.com/.

Disclosures of transactions of Shyam Metalics and Energy Limited with any person or entity belonging to the promoter/ promoter group, which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results.

| Name of Person or Entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding | Percentage Shareholding as on 31st March, 2026 | Type of Transaction During the Year | Amount of Transaction During the Year (₹) |
|---|---|---|---|
| Narantak Dealcomm Limited | 15.48 | Dividend | 17,50,53,838.50 |
| Subham Capital Private Limited | 14.61 | Dividend | 16,51,81,760.00 |
| Subham Buildwell Private Limited | 21.86 | Dividend | 24,71,65,101.00 |

Related party transactions are in the ordinary course of business and are reported to the Audit Committee. Such transactions are disclosed in note no. 41 of Notes on Financial Statements in the Annual Report.

**b) 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:**

The Company received notices from BSE Limited and the National Stock Exchange of India Limited (NSE) dated August 14, 2025 and September 1, 2025, respectively, for non-compliance with the intimation requirements under Regulation 29(1) of the SEBI Listing Regulations. A monetary penalty of ₹10,000 was imposed by each of the Stock Exchanges.

The Company submitted its response to BSE via email dated August 28, 2025. Subsequently, the penalties levied by both BSE and NSE were paid on September 2, 2025.

Apart from this there were no restriction or penalties imposed on the Company by either the Securities and Exchange Board of India (SEBI) or the Stock Exchanges, or any other statutory authority for non-compliance of any matter related to the capital market during the last three years.

**c) 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 established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the chairperson of the audit committee in exceptional cases. During the year, no person was denied access to the audit committee. The Whistleblower Policy is available on our website at www.shyammetalics.com.

The Company conducts periodic reviews and reporting to the Board of Directors regarding risk assessment by senior executives with a view to minimizing the risk.

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations including the compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations.

**e) Web link where policy for determining 'material' subsidiaries is disclosed:**

The Company has formulated a policy pursuant to provisions of Chapter IV of SEBI Listing Regulations to determine material subsidiaries. Policy for Determination of Material subsidiary is available on the website of the Company at the weblink https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b4f4e630-3c03-4fc5-8b99-db91016084e0-Policy-for-determining-Material-Subsidiaries.pdf

**f) Web link where policy on dealing with related party transactions:**

Policy on dealing with Related Party Transactions is also available on the website of the Company at the weblink https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b212d826-d07b-49fc-8046-18f8de33ac1b-Related%20Party%20Transaction_Policy.pdf

**g) Disclosure of Commodity Price Risks and commodity hedging activities:**

Since the Company does not have any commodity price risk exposure hedged through commodity derivatives, accordingly, other details as required under SEBI Circular No. SEBI / HO / CFD / CMD1 / CIR / P / 2018 / 0000000141 dated November 15, 2018 are not applicable to the Company.

The Company is exposed to risk the price fluctuation of raw materials as well as finished goods. The Company manages its commodity price risk by maintaining adequate inventory of raw materials and finished goods considering future price movement. Accordingly, the requirement of hedging is minimal. During the Financial Year 2025-26, the Company had managed the foreign exchange risk and hedged to the extent necessary. The Company entered into Forward Contracts and Packing Credit in foreign currency (PCFC) for hedging foreign exchange exposures against export / import. Disclosure of commodity price risks and commodity hedging activities has been adequately covered under the Management Discussion and Analysis Report.

Further details relating to risks and activities including financial risk management have been adequately disclosed in Note No. 42 to the Notes to the Standalone Financial Statements for the financial year ended March 31, 2026.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations:**

During the year under review, there has been no fund raise through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

**i)** A certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as on 31.03.2026 is attached to this report

**j)** Where the Board had not accepted any recommendation of any committee of the board which is mandatorily required.

The Board has accepted all the recommendations of its committees, during the year under review.

**k)** 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 is a part.

M/s. MSKA & Associates, Chartered Accountants were appointed as the Statutory Auditors for the Company & the Subsidiary Company (Shyam Sel and Power Limited) for a period of 5 (five) consecutive years from the conclusion of 21st Annual General Meeting till the conclusion of 26th Annual General Meeting and were paid consolidated fees of ₹1.31 Crores during the financial year 2025-26.

The Financial Statements for 2025-26 were prepared in accordance with the applicable Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

**l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

number of complaints outstanding at the beginning of financial year - Nil

number of complaints filed during the financial year – Nil

number of complaints disposed off during the financial year - Nil

number of complaints pending as on end of the financial year – Nil

**m) Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount as mentioned below:**

| Name of the Firms/Companies | Amount (₹ In Crores) |
|---|---|
| Narantak Dealcomm Limited | 875.76 |
| Subham Buildwell Private Limited | 575.87 |
| Subham Capital Private Limited | 580.78 |
| Toplight Merchantiles Private Limited | 0.45 |
| Dorite Tracon Pvt. Ltd. | 627.70 |
| Meghana Vyapaar Private Limited | 0.00 |
| Gumla Aluminium Private Limited | 0.15 |
| Shyam Shakti Metal Private Limited | 0.73 |
| Shyam Solar Appliance Private Limited | 0.07 |
| SMEL Security Services Private Limited | 2.16 |
| Sygma Tubes & Pipes Private Limited | 0.65 |
| Sumitra Devi Agarwal Family Trust | 0.75 |
| Mahabir Prasad Agarwal Family Trust | 0.85 |
| Shyam Minmet Private Limited | 0.12 |
| Suhag Overseas Trading Private Limited | 1.76 |
| Shyam Ferro Alloys Limited | 45.29 |
| Kalinga Infra Projects Limited | 0.01 |

Note: 0.00 Figures represent value less than ₹1 lakh

**n) Details of material subsidiaries:**

| Name of the Material Subsidiaries | Date of Incorporation | Place of Incorporation | Name of the Statutory Auditor | Date of Appointment/ Re-appointment of Statutory Auditor |
|---|---|---|---|---|
| Shyam Sel And Power Ltd. | 05/09/1991 | West Bengal | M/s. MSKA & Associates, Chartered Accountants | 20.09.2023 |

### CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chairman & Managing Director and the Chief Financial Officer of the Company have given CEO/CFO certification for the financial year ended 31st March, 2026. Such certificate is enclosed to this report as **Annexure-B**.

The Company has complied with all applicable mandatory requirements of the SEBI Listing Regulations during the financial year 2025-26. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.

The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from a Company Secretary in Practice in this regard forms part of this report as **Annexure-C**.

### Secretarial Audit

The Board of Directors has appointed M/s. MKB & Associates (Firm Registration No. P2010WB042700), Practicing Company Secretaries, to conduct secretarial audit of the Company's records and documents for FY 2025-26. The Secretarial Audit Report confirms that the Company has complied with all applicable provisions of the Act, Secretarial Standards, Depositories Act 2018, SEBI Listing Regulations, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

### Annual Secretarial Compliance Report

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2025-26 for all applicable compliances as per SEBI Listing Regulations and Circulars/Guidelines issued thereunder. Accordingly, the Annual Secretarial Compliance Report for the financial year ended March 31, 2026. Accordingly, annual secretarial compliance Report as issued by M/s. KPA & Co. LLP has been submitted to the Stock Exchanges within the prescribed timeline

### Directors and officers insurance ('D & O insurance')

The Company has in place D&O Insurance Policy for all its Independent Directors/Directors/KMP of such quantum and covering all such risks as may be determined by the Board of Directors of the Company from time to time.

### Anti-Corruption and Anti-Bribery Policy

The Company has formulated an Anti-Corruption and Anti-Bribery Policy which explains the Company's individual responsibility to comply with anti-bribery and anti-corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same. The policy is posted on the Company's website and can be accessed at https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/0d7591de-8df6-492e-a792-3365a8ec6199-Anti-Corruption-and-Anti-Bribery-Policy-.pdf

### Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity: NONE

The quarterly compliance report has been submitted to the stock exchanges where the Company's equity shares are listed in the prescribed format as per SEBI Listing Regulations, 2015, duly signed by the Company Secretary.

### Disclosure of Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of para-C of Schedule V of SEBI Listing Regulations, 2015, with reasons thereof shall be disclosed

There is no instance of non-compliance of any requirement of Corporate Governance report of sub-paras (2) to (10) of para-C of Schedule –V of SEBI Listing Regulations.

### Disclosure of the Compliance of the Corporate Governance

The Company is in compliance with the Corporate Governance requirements as specified in Regulation 17 to 27 and the Company is also in compliance with the requirements of dissemination of the information of as required in terms of clause (b) to (i) of Regulation 46 (2) of the SEBI Listing Regulations.

### Details of corporate policies

| Sl. No. | Policy | Link |
|---|---|---|
| 1. | Corporate Social Responsibility Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/63e3ceac-06e0-4038-a662-8fdaeb129e4a-SMEL_Policy-Doc_CSR-Policy.pdf |
| 2. | Composition and Profile of the Board of Directors | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/disclosures/13dd0fb8-adb1-47e9-aa1a-f640d6d72cbc-composition%20of%20Board%20&%20Committee.pdf |
| 3. | Terms and Conditions of appointment of Independent Directors | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/disclosures/4b7c4a66-b121-4b56-99a9-4fe71ce10438-Terms-and-Conditions-ID.pdf |
| 4. | Policy of Board Diversity | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/338d7f07-c936-40b1-8f75-0a954a07766f-Policy-of-board-diversy.pdf |
| 5. | Code of Conduct for Regulating, Monitoring and Reporting of trade by investors | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c0c2d3d1-01c7-426f-ab50-e6af4f19df01-SMEL_Policy-Doc_PIT.pdf |
| 6. | Code of Conduct for Directors and Senior Management Executives | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/abbe0fa8-bd51-434f-89ec-33801f5500a6-SMEL_Policy-Doc_Code-of-Conduct.pdf |
| 7. | Criteria for making payments to Non-Executive Directors | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/80fb5d83-1216-4221-993c-55db7f1a41b1-SMEL_Policy-Doc_Making-Payments-to-NED.pdf |
| 8. | Policy for transaction with Related Parties | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b212d826-d07b-49fc-8046-18f8de33ac1b-Related%20Party%20Transaction_Policy.pdf |
| 9. | Policy for determining Material Subsidiaries | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b4f4e630-3c03-4fc5-8b99-db91016084e0-Policy-for-determining-Material-Subsidiaries.pdf |
| 10. | Whistle Blower Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/6d0edb3b-21c0-429a-b5dc-a10f1aeee863-Whistle%20Blower%20Policy.pdf |
| 11. | Policy for determination of Materiality of events and information for disclosure to the Stock Exchange | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/261a594e-ae32-49bb-b62e-da2f7b5b3ac2-Policy-for-Determination-of-Materiality-of-events-and-information-for-Disclosure-to-the-Stock-Exchange.pdf |
| 12. | Dividend Distribution Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/cfa3cedd-223c-4878-ac8e-bc3ee2071716-Dividend_Distribution_Policy.pdf |
| 13. | Anti Sexual Harassment Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/0065fc88-ce19-46ba-afd3-8a6b88ba4b19-Anti-Sexual-Harassment-Policy.pdf |
| 14. | Business Responsibility and Sustainability Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/9a24e298-d453-4e7a-9437-ae8746920636-Business-Responsibility-Policy.pdf |
| 15 | Anti Corruption and Anti Bribery Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/0d7591de-8df6-492e-a792-3365a8ec6199-Anti-Corruption-and-Anti-Bribery-Policy-.pdf |
| 16 | Nomination and Remuneration Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/c5246fa2-61db-401e-9299-1e9e289b4312-Nomination-and-Remuneration-Policy.pdf |
| 17 | Policy for Preservation of Documents | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/58ed1fa8-557f-4198-b0cf-17c823c4bd9f-SMEL_Policy-Doc_Preservation-of-Documents.pdf |
| 18 | Risk Management Policy | https://shyam-metalics-documents.s3.ap-south-1.amazonaws.com/undefined/b115a303-9cc0-4a16-b876-71690eb0ce2b-Risk-Management-Policy.pdf |

## DISCRETIONARY REQUIREMENTS

The Company has complied with the requirement specified in Part E of Schedule II as mentioned below:

**The Board**

The Executive Chairman is also a Managing Director of the Company and the Company has a women Independent Director in the Board.

**Shareholder Rights**

The quarterly and half yearly financial performance are submitted to Stock Exchanges, published in newspapers and simultaneously posted on the Company's website and are not sent to the shareholders separately.

**Modified opinion(s) in audit report**

During the year under review, there is no audit qualification on the company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

**Separate posts for Chairman and the Managing Director or the Chief Executive Officer:** The position of the Chairman and the Managing Director are held by same individual.

**Separate Meetings of Independent directors:**

The Independent Directors of the Company held two separate meeting during the financial year 2025-26 on 23rd January, 2026 and 30th March, 2026.

**Reporting of Internal Auditor As**

The Internal Auditor may report directly to the Audit Committee – The same is also complied with as the Internal Auditor reports directly to the Audit Committee.

The Company has complied with all the requirements specified under regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and the same is certified by KPA & Co.

LLP (Practicing Company Secretary), which is forming part of this Report.

**Disclosure with respect to demat suspense account/ unclaimed suspense account:**

As on 31st March, 2026, there was no demat suspense account. However, the Shyam Metalics and Energy Ltd shares suspense demat Account was closed during the year. The details of demat suspense account or unclaimed suspense account, are as below:

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year - Nil

(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year -N.A.

(c) Number of shareholders to whom shares were transferred from suspense account during the year - Nil

(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - Nil

(e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares - N.A.

**Disclosure of certain types of agreements binding the Company**

**Information disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations**

There are no such agreements binding on the Company either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the Company or impose any restriction or create any liability upon the Company.

**Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)**

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 ('Rules'), the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. There is no unpaid/unclaimed dividend for more than 7 years, hence it is not required to transfer any unclaimed dividend and shares to Investor Education and Protection Fund (IEPF).

**Code of Conduct**

The Code of Conduct (hereinafter referred to as 'Code') is applicable to all its Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel had affirmed compliance with the Code during the year and no violation of the same was reported. A declaration to the effect that all Board Members and Senior Management Personnel have complied with the Code during the financial year 2025-26, duly signed by Chairman & Managing Director of the Company is enclosed herewith as **Annexure A**. The Code has also been posted on the Company's website.

**Affirmation of Compliance with the Code of Conduct for Board Members and Senior Management Personnel.**

I, Brij Bhushan Agarwal, Chairman & Managing Director of 'Shyam Metalics and Energy Limited', hereby declare that the Company has received affirmation of compliance with the 'Code of Conduct for Board members and Senior Management Personnel' laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, to whom the same is applicable in terms of Regulation 26(3) of the SEBI Listing Regulations for the financial year ended 31st March, 2026.

Sd/-

**Brij Bhushan Agarwal**

Chairman & Managing Director
DIN:01125056
Dated:11th May,2026

**Annexure – A**

# DECLARATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I affirm that the Board members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for Directors & Senior Management Personnel, as applicable to them, for the year ended 31st March 2026.

Sd/-
**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN:01125056

Place: Kolkata
Dated:11th May,2026

**Annexure – B**

# CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)

To
The Board of Directors
**Shyam Metalics And Energy Limited**

We, Brij Bhushan Agarwal, Chairman & Managing Director and Deepak Agarwal, Director-Finance & Chief Financial Officer of 'Shyam Metalics and Energy Limited', certify that:

A. We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2026 and to the best of our knowledge and belief, we state that:
   (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   (b) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended, 31st March, 2026, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditor and the audit committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take for rectifying these deficiencies.

D. We have indicated to the auditors and the Audit Committee that:
   a) Significant changes in internal control over financial reporting during the year under reference.
   b) There have not been any Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statement; and
   c) We are not aware of any instances, during the year, of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over the financial reporting.

Sd/-
**Deepak Agarwal**
Director Finance & CFO
DIN:00560010

Sd/-
**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

Place: Kolkata
Date: 11.05.2026

**Annexure – C**

# CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
**Shyam Metalics and Energy Limited**
P-19, Plate No. D-403 CPT Colony,
Taratala Road, Kolkata- 700088, West Bengal

We have examined the relevant documents and records maintained by **Shyam Metalics and Energy Limited** (hereinafter referred as 'the Company') having CIN: L40101WB2002PLC095491, for certifying the compliance of conditions of Corporate Governance for the year ended on 31st March, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, to the extent applicable to it for the year ended 31st March, 2026.

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

Sd/-
**Koshal Agarwal**
Partner
**KPA & Co. LLP**
Company Secretaries
FRN: P2019WB078600
Peer Review No: 7936/2026
ACS No : 37508
CP No : 16670
UDIN: A037508H000330108

Place: Kolkata
Date:11th May, 2026

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
**Shyam Metalics and Energy Limited**
P-19, Plate No. D-403 CPT Colony,
Taratala Road, Kolkata- 700088, West Bengal

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shyam Metalics and Energy Limited** having **CIN: L40101WB2002PLC095491** and having registered office at P-19, Plate No. D-403 CPT Colony, Taratala Roard, Kolkata-700088, West Bengal (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---|---|---|---|
| 1. | BRIJ BHUSHAN AGARWAL | 01125056 | 11/12/2002 |
| 2. | SANJAY KUMAR AGARWAL | 00232938 | 11/12/2002 |
| 3. | DEEPAK AGARWAL | 00560010 | 14/07/2014 |
| 4. | DEV KUMAR TIWARI | 02432511 | 10/04/2009 |
| 5. | SHEETIJ AGARWAL | 08212992 | 10/11/2023 |
| 6. | KISHAN GOPAL BALDWA | 01122052 | 15/05/2018 |
| 7. | RAJNI MISHRA | 07706571 | 12/02/2021 |
| 8. | NAND GOPAL KHAITAN | 00020588 | 14/02/2023 |
| 9. | SHASHI KUMAR | 00116600 | 21/09/2023 |
| 10. | CHANDRA SHEKHAR VERMA | 00121756 | 04/07/2024 |
| 11. | SUBRATA BHATTACHARYA | 03050155 | 01/02/2026 |

Ensuring the eligibility for 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.

Sd/-
**Koshal Agarwal**
Partner
**KPA & Co. LLP**
Company Secretaries
FRN: P2019WB078600
Peer Review No: 7936/2026
ACS No : 37508
CP No : 16670
UDIN: A037508H000330042

Place: Kolkata
Date:11th May, 2026

# INDEPENDENT AUDITORS' REPORT

To the Members of,
**Shyam Metalics and Energy Limited**

**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of Shyam Metalics and Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on the separate audited financial statements of Shyam Metalics Employees Welfare Trust ("ESOP Trust"), 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 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, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No | Key Audit Matters | How the Key Audit Matters was addressed in our audit |
|---|---|---|
| 1 | **Recognition, measurement and presentation of contingent liabilities and other litigations**<br>Assessment of litigations and related disclosure of contingent liabilities (Refer Note 1(C) to the Standalone Financial Statements– "Significant accounting judgments, estimates and assumptions and Provisions and contingent liabilities" Note 40 to the Standalone Financial Statements "Contingent liabilities") as at March 31, 2026. The Company, in the normal course of business, is contesting various claims and proceedings including matters relating to direct and indirect taxes that arise from time to time. The Company assesses the need to make provision or disclose a contingency on a case to-case basis considering the underlying facts of each such litigation or dispute. | Our audit procedures in respect of this matter included but not limited to the following:<br>• We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, litigations and contingent liabilities;<br>• We obtained an understanding of the nature of litigations pending against the Company by reading the minutes of the Board of Directors meetings and discussing the developments during the year for key litigations with Senior Management personnel. |

| Sr. No | Key Audit Matters | How the Key Audit Matters was addressed in our audit |
|---|---|---|
| | This assessment is significant to our audit, to assess adequacy of disclosure or provision in the books of account. The accounting and disclosure for contingent liabilities is complex & involves judgment in assessing the outcome of the matter and estimating the potential impact if the outcomes are unfavourable, and the amounts involved are, or can be, material to the Standalone Financial Statements. Considering the amounts, which can be material and involves significant management judgement and estimation, we have identified this as a key audit matter. | • Verified the completeness of the litigations and claims by examining, on a sample basis, the legal and professional expenses incurred during the year.<br>• We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the Standalone Financial Statements;<br>• Evaluated the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the assumptions and estimates, used in measuring the probable or possible impact.<br>• Involved our internal tax experts to challenge the Management judgement and rationale with respect to tax provisions not made in the books of account or disclosed as contingent liability or cases where outflow of resources is remote and do not warrant any disclosure.<br>• We also obtained independent legal confirmations for significant matters from the legal counsels or law firms handling such matters to corroborate management's conclusions.<br>• Evaluated appropriateness and adequacy of the disclosures of the contingent liability made in the Standalone Financial Statements in accordance with the requirements of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Asset' and Ind AS 12 - 'Income Taxes'. |

## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, Management Discussion and Analysis and report on corporate governance but does not include the Standalone Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, Management Discussion and Analysis and report on corporate governance which is expected to be made available to us after that date.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, Management Discussion and Analysis and report on corporate governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

In preparing the Standalone Financial Statements, the Board of Directors of the Company and the Trustees of the ESOP Trust are responsible for assessing the Company's/ESOP Trust'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 the Board of Directors and the Trustees of the ESOP Trust either intends to liquidate the Company/ ESOP Trust, respectively, or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Company and the Trustees of the ESOP Trust are also responsible for overseeing the Company's and the ESOP Trust's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

## Other Matter

We did not audit the financial statements of the ESOP Trust included in the Standalone Financial Statements of the Company whose financial statements reflects total assets of ₹36.50 crores as at March 31, 2026, total revenues of ₹2.86 crores, total net profit after tax of ₹0.25 crores and total comprehensive income of ₹0.25 crores for the period from April 01, 2025 to March 31, 2026 and net cash flows of ₹(0.41) crores for the year ended on that date, as considered in the financial statements of the ESOP Trust. The financial statements of ESOP Trust have been audited by their auditors whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this ESOP Trust, is based solely on the report of such auditor.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Standalone Financial Statements.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (h) (vi) below on reporting under Rule 11 (g) and except that in the absence of sufficient appropriate audit evidence we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis for the period January 01, 2026 to March 31, 2026 as explained in Note 49(j) to the Standalone Financial Statements.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Standalone Financial Statements.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure C"**.

(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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 40(b) to the Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. A. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 49(h) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 it's knowledge and belief, as disclosed in the note 49(i) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 performed 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) contain any material mis-statement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Refer Note 17 (j) to the Standalone financial statements.

vi. Based on our examination which included test checks, the Company has used two accounting softwares for maintaining its books of accounts. One of the software, has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of the said accounting software to log any direct data changes, as explained in note 49 (j) to the Standalone Financial Statements.

In case of the second accounting software, which is managed and maintained by a third-party software service provider as explained in note 49 (j) to the Standalone Financial Statements, it has a feature of recording audit trail (edit log) facility except that in absence of sufficient and appropriate audit evidence, i.e., adequate coverage in SOC report we are unable to comment whether the same has operated from January 01, 2026 to March 31, 2026 for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with.

Further, where enabled, audit trail feature has operated throughout the period for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting softwares. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in respective years.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682YFSYPH7090

Place: Kolkata
Date: May 11, 2026

# ANNEXURE A to the Independent Auditor's Report of even date on the Standalone Financial Statements of Shyam Metalics and Energy Limited for the year ended March 31, 2026

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682YFSYPH7090

Place: Kolkata
Date: May 11, 2026

# ANNEXURE B to Independent Auditors' Report of even date on the Standalone Financial Statements of Shyam Metalics and Energy Limited for the year ended March 31, 2026

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

i. (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.

i. (a) B The Company has maintained proper records showing full particulars of intangible assets.

i. (b) Property, plant and equipment and right-of-use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of property, plant and equipment and right-of-use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

i. (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the Standalone Financial Statements, are held in the name of the Company, except for the following:

| Sr. No. | Description of Property | Gross carrying value (₹ in Crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held | Reason for not being held in name of Company |
|---|---|---|---|---|---|---|
| 1 | Freehold Land | 15.84 | Shyam DRI and Power Limited | No | 2005 - 2010 | The title deeds are in the erstwhile name of the Company, the Management is yet to get these transferred in the current name of the Company. |
| 2 | Leasehold Land | 1.06 | Shyam DRI and Power Limited | No | 2005 - 2007 | |
| 3 | Freehold Land | 9.68 | Bhagwan Shaw | Yes | 2013 - 2019 | Management is yet to get these transferred in the name of the Company. |
| 4 | Freehold Land | 0.31 | Kamal Lodha | Yes | 2007 | |

i. (d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

i. (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate., having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

ii. (b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 crores rupees, in aggregate from Banks, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the Standalone Financial Statements, quarterly returns / statements filed with such Banks are in agreement with the books of accounts of the Company for the quarter ended 30 June 2025, 30 September 2025 and 31 December 2025. Refer note 47 to the standalone financial statements.

The Company has not filed quarterly returns / statements with such Banks for the quarter ended March 2026 as on the date of these financial statements. Accordingly, we are unable to comment whether they are in agreement with books and accounts of the Company. Refer note 47 to the financial statements.

iii. (a) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted any advance in the nature of loans to any entity. However the Company has granted loans to subsidiaries.

The details of such loans to subsidiaries are as follows:

| Particulars | Loans (₹ in Crores) |
|---|---|
| Aggregate amount granted/ provided during the year | |
| - Subsidiaries(*) | 0.00 |
| Balance Outstanding as at balance sheet date in respect of above cases | |
| - Subsidiaries | 0.13 |

(*) 0.00 Figure represents value less than ₹1 Lakh.

iii. (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to grant of all loans are not prejudicial to the interest of the Company.

iii. (c) The loans given are repayable on demand. During the year, the Company has not demanded such loans or interest. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular. [Refer reporting under clause 3(iii)(f) below].

iii. (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans given are repayable on demand and the Company has not demanded such loans (including receivable in nature of loan)

iii. (e) According to the information and explanations provided to us, the loans granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

iii. (f) According to the information and explanations provided to us, the Company has granted loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

| | All Parties | Promo-ters | Related Parties |
|---|---|---|---|
| Aggregate amount of loans | | | |
| - Repayable on demand (A) | - | - | 0.13 |
| - Agreement does not specify any terms or period of repayment (B) | - | - | - |
| **Total (A+B)** | **-** | **-** | **0.13** |
| Percentage of loans to the total loans | 0% | 0% | 100% |

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans given and investments made as applicable. The Company has not provided security and guarantee to which the provisions of section 185 and 186 of the Companies Act, 2013 apply and accordingly, the provisions stated under clause 3(iv) of the Order to that extent are not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

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 Companies Act, 2013 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. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities during the year, though there has been a slight delay in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

We have been informed that the provisions of the Service Tax, Sales Tax, duty of Excise, Value Added Tax are not applicable to the Company.

vii. (b) According to the information and explanations given to us and the records examined by us, statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

| Name of the statute | Nature of dues | Amount Demanded (₹ in Crores) | Amount Paid (₹ in Crores) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|
| The Income Tax Act, 1961 | Income tax | 47.60 | - | 2015-16 to 2021-22 | Appeal Pending to be filed |
| | | 0.59 | - | 2013-14 | Assessing Officer |
| | | 0.10 | - | 2015-16 | Commissioner of Income Tax Appeal |
| Central Excise Act, 1944 | Central Excise | 7.70 | - | 2005-06 to 2009-10 and 2014-15 to 2016-17 | Adjudicating Authority |
| Customs Act, 1962 | Custom Duty | 1.95 | 0.15 | 2011-12 & 2012-13 | The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) |
| | | 11.44 | - | 2012-13 | Adjudicating Authority |
| Finance Act, 1994(*) | Service Tax | 0.06 | - | 2013-14 & 2015-16 | Adjudicating Authority |
| | | 0.03 | 0.00 | 2013-14 & 2015-16 | The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) |
| The GST Act, 2017(*) | GST | 17.39 | - | 2017-18 to 2018-19 and 2020-21 to 2021-22 | Assistant Commissioner |
| | | 6.79 | 0.20 | 2018-19 to 2019-20 & 2020-2021 to 2021-22 | Appeal Pending to be filed |
| | | 5.79 | - | 2018-19 to 2020-21 | Assistant Commissioner of State Tax |
| | | 2.92 | - | 2022-23 | Excise and Taxation Officer |
| | | 3.81 | - | 2017-18 | Joint Commissioner of CT and GST |
| | | 3.19 | - | 2019-20 & 2021-22 | Joint Commissioner of State Tax |
| | | 0.62 | - | 2017-18 | Adjudicating authority |
| | | 0.54 | - | 2019-20 | Additional CT and GST Officer |
| | | 0.10 | - | 2022-23 | Additional Commissioner of CT and GST |
| | | 0.84 | 0.07 | 2017-18 | Appeal, West Bengal |
| | | 0.07 | 0.00 | 2019-20 | Appeal, SBP |
| | | 0.08 | - | 2020-21 | Superintendent |
| Odisha Entry Tax act, 1999 | Entry Tax | 3.24 | - | 2005-06 to 2015-16 | Odisha Sales tax Tribunal |
| | | 6.59 | - | 2006-07 to 2016-17 | Supreme Court |
| Value Added Tax Act, 1994 | VAT | 0.25 | - | 2016-17 | Odisha Sales tax Tribunal |
| | | 0.94 | - | 2015-16 | Appeal Pending to be filed |
| | | 0.02 | - | 2012-13 | Additional Commissioner of Sales Tax |

(*) 0.00 Figure represents value less than ₹ 1 Lakh.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

ix. (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

ix. (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 19 to the standalone financial statements.

ix. (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

ix. (e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from an/any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint venture entities.

ix. (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture entities or associate companies. Accordingly, the requirement to report under Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

x. (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

xi. (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

xi. (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

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

xiv. (b) We were unable to obtain some of the internal audit reports of the Company for the quarter ended March 31, 2026, and accordingly the internal audit reports have been considered by us to the extent those were made available to us.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, 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 accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

xvi. (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

xvi. (c) The Company is not a Core investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

xvi. (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 44 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) In respect of other than ongoing projects, there are no unspent amounts which are required to be transferred to a Fund specified in schedule VII of the Companies Act, 2013 as disclosed in the note 45 to the Standalone Financial Statements.

xx. (b) There are no ongoing project and accordingly reporting under clause 3 (xx) (b) of the Order is not applicable to the Company.'

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682YFSYPH7090

Place: Kolkata
Date: May 11, 2026

# ANNEXURE C to the Independent Auditor's Report of even date on the Standalone Financial Statements of Shyam Metalics and Energy Limited

Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Shyam Metalics and Energy Limited on the Standalone Financial Statements for the year ended March 31, 2026

## Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

### Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Shyam Metalics and Energy Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

### Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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 with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

### Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

### Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements insofar as it relates to the Company but does not include the report of ESOP Trust, as the said reporting on Internal Financial Control is not applicable to the ESOP Trust.

Our opinion is not modified in respect of this matter.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682YFSYPH7090

Place: Kolkata
Date: May 11, 2026

# STANDALONE BALANCE SHEET

as at 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Note No. | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| a) Property, plant and equipment | 2 | 2,060.20 | 1,703.25 |
| b) Right-of-use assets | 3 | 92.96 | 24.51 |
| c) Capital work-in-progress | 4 | 435.23 | 286.70 |
| d) Other intangible assets | 5 | 1.75 | 2.46 |
| e) Financial assets | | | |
| i) Investments | 6(a)(b) | 2,610.95 | 2,814.77 |
| ii) Loans | 7 | 0.13 | 0.13 |
| iii) Other financial assets | 8 | 20.46 | 16.60 |
| f) Non-current tax assets | 9 | 81.02 | 81.43 |
| g) Other non-current assets | 10 | 202.41 | 111.73 |
| **Total Non-current Assets (A)** | | **5,505.11** | **5,041.58** |
| **Current Assets** | | | |
| a) Inventories | 11 | 1,308.34 | 890.46 |
| b) Financial assets | | | |
| i) Investments | 6(c) | 421.06 | 349.31 |
| ii) Trade receivables | 12 | 1,159.89 | 934.39 |
| iii) Cash and cash equivalents | 13 | 13.40 | 29.19 |
| iv) Bank balances other than Cash and cash equivalents | 14 | 0.87 | 0.98 |
| v) Other financial assets | 15 | 15.34 | 14.12 |
| c) Other current assets | 16 | 299.25 | 163.25 |
| **Total Current Assets (B)** | | **3,218.15** | **2,381.70** |
| **Total Assets (A + B)** | | **8,723.26** | **7,423.28** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity share capital | 17 | 278.29 | 278.22 |
| b) Other equity | 18 | 6,158.16 | 5,708.89 |
| **Total Equity (A)** | | **6,436.45** | **5,987.11** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19A | 0.63 | 1.20 |
| ii) Lease Liabilities | 20A | 56.69 | 1.29 |
| iii) Other financial liabilities | 21A | 26.29 | 17.15 |
| b) Provisions | 22A | 16.52 | 13.89 |
| c) Deferred tax liabilities (net) | 23 | 79.98 | 77.71 |
| **Total Non Current Liabilities (B)** | | **180.11** | **111.24** |
| **Current Liabilities** | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19B | 230.56 | 201.30 |
| ii) Lease liabilities | 20B | 16.84 | 0.92 |
| iii) Trade payables | 24 | | |
| - Total outstanding due of micro enterprise and small enterprise | | 3.78 | - |
| - Total outstanding due to creditors other than micro enterprise and small enterprise | | 1,609.27 | 873.12 |
| iv) Other financial liabilities | 21B | 104.58 | 67.06 |
| b) Other current liabilities | 25 | 89.58 | 144.66 |
| c) Provisions | 22B | 6.41 | 5.16 |
| d) Current tax liabilities (net) | 26 | 45.68 | 32.72 |
| **Total Current Liabilities (C)** | | **2,106.70** | **1,324.94** |
| **Total Equity and Liabilities (A + B + C)** | | **8,723.26** | **7,423.28** |
| Summary of material accounting policies and other explanatory information | 1 | | |

The accompanying notes 1 to 51 are an integral part of these standalone financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| | Particulars | Note No. | For the year ended March 2026 | For the year ended March 2025 |
|---|---|---|---|---|
| | **INCOME** | | | |
| I | Revenue from operations | 27 | 6,992.98 | 6,479.36 |
| II | Other income | 28 | 110.77 | 144.32 |
| **III** | **Total Income (I+II)** | | **7,103.75** | **6,623.68** |
| **IV** | **EXPENSES** | | | |
| | Cost of materials consumed | 29 | 4,633.00 | 4,382.83 |
| | Purchases of stock-in-trade | | 543.68 | 341.57 |
| | Changes in inventories of finished goods and by-products | 30 | (22.17) | (0.20) |
| | Employee benefits expense | 31 | 198.35 | 198.19 |
| | Finance costs | 32 | 50.55 | 49.88 |
| | Depreciation and amortization expense | 33 | 239.58 | 211.00 |
| | Impairment gain on financial assets | 34 | (0.13) | (1.54) |
| | Other expenses | 35 | 717.10 | 781.49 |
| | **Total Expenses (IV)** | | **6,359.96** | **5,963.22** |
| **V** | **Profit before tax (III-IV)** | | **743.79** | **660.46** |
| **VI** | **Tax expense:** | 36 | | |
| | (i) Current tax (including prior year taxes) | | 189.36 | 172.28 |
| | (ii) Deferred tax | | 1.58 | (1.44) |
| **VII** | **Profit for the year (V-VI)** | | **552.85** | **489.62** |
| **VIII** | **Other comprehensive income** | | | |
| | (a) Items that will not be reclassified to profit or loss: | | | |
| | (i) Remeasurements gains/(loss) of post-employment benefit obligation | | 2.81 | (1.44) |
| | (ii) Fair value changes to investments in equity instruments | | (0.15) | 44.62 |
| | (iii) Income tax relating to items that will not be reclassified to profit or loss | | (0.69) | 11.89 |
| | **Other comprehensive income for the year** | | **1.97** | **55.07** |
| **IX** | **Total comprehensive income for the year, net of tax** | | **554.82** | **544.69** |
| **X** | **Earnings per equity share (Face value of ₹10 each)** | | | |
| | (i) Basic (₹) | | 19.87 | 17.61 |
| | (ii) Diluted (₹) | | 19.80 | 17.54 |
| | Summary of material accounting policies and other explanatory information | 1 | | |

The accompanying notes 1 to 51 are an integral part of these standalone financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **A. CASHFLOW FROM OPERATING ACTIVITIES:** | | |
| Net Profit Before Tax | 743.79 | 660.46 |
| **Adjustments for:** | | |
| Depreciation and amortization expenses | 239.58 | 211.00 |
| Provision for employee benefit obligations | 6.69 | 4.60 |
| Provision for slow and non-moving items | (0.26) | 0.18 |
| Impairment loss | (0.13) | (1.54) |
| Share based payment to employees | 3.16 | 4.73 |
| Bad debt written off | 8.61 | - |
| Loss on sale of property, plant and equipment | 0.16 | - |
| Unrealised foreign exchange fluctuations (net) | 21.03 | (2.64) |
| Gain on fair value of financial instruments carried at fair value through profit or loss | (20.52) | (50.97) |
| Interest income on financial assets carried at amortised cost | (75.94) | (92.25) |
| Finance cost | 50.55 | 49.88 |
| Others | 2.12 | 0.09 |
| **Operating profit before working capital changes** | **978.84** | **783.54** |
| **Adjustments for changes in working capital:** | | |
| **Increase / (decrease) in liabilities:** | | |
| Trade payables | 718.46 | (405.49) |
| Financial liabilites (non-current) | 9.14 | 1.58 |
| Financial liabilites (current) | 2.15 | 3.05 |
| Provisions (non-current) | 5.44 | 2.54 |
| Provisions (current) | (5.44) | (4.23) |
| Other liabilities | (63.69) | 36.10 |
| **(Increase) / decrease in assets:** | | |
| Trade receivables | (224.91) | (23.54) |
| Inventories | (417.62) | (120.51) |
| Financial assets (non-current) | (0.96) | 0.31 |
| Financial assets (current) | 2.02 | 0.15 |
| Other non-current assets | (0.01) | 4.82 |
| Other current assets | (137.96) | 145.49 |
| **Cash flow from operating activities before tax** | **865.46** | **423.81** |
| Direct tax paid (net) | (175.95) | (145.41) |
| **Net cash generated from operating activities (A)** | **689.51** | **278.40** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES:** | | |
| Purchase for property, Plant & Equipment including capital work in progress (net) | (781.96) | (501.89) |
| Sale proceeds of investments (net) | 152.44 | 418.08 |
| Investments made in subsidiary company | - | (800.00) |
| Investments made in fixed deposits with banks | (2.95) | (1.31) |
| Loans and advances recovered | - | 597.01 |
| Interest received on financial assets carried at amortised cost | 75.80 | 99.31 |
| **Net cash used in investing activities (B)** | **(556.67)** | **(188.80)** |
| **C. CASHFLOW FROM FINANCING ACTIVITIES:** | | |
| Repayment of non current borrowings | (0.57) | (0.69) |
| Proceeds from current borrowings (net) | 29.26 | 100.48 |
| Proceeds from exercise of employee stock options | 1.28 | 5.28 |
| Repayment of lease liabilities | (22.07) | (0.94) |
| Dividends paid | (112.47) | (137.88) |
| Finance cost paid | (44.06) | (50.46) |
| **Net cash used in Financing activities (C)** | **(148.63)** | **(84.21)** |
| **Net (decrease) / increase in cash and cash equivalents (A+B+C)** | **(15.79)** | **5.39** |
| Cash and cash equivalents at the beginning of the year (refer note 13) | 29.19 | 23.80 |
| **Cash and cash equivalents at the end of the year (refer note 13)** | **13.40** | **29.19** |



# STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

**Notes:**

i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

ii) Purchase of Property Plant & Equipment (Net) includes Capital work-in progress, Capital Advances and Creditors for Capital Goods.

iii) Reconciliation of cash and cash equivalents as per the cash flow statement:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance with banks | 13.09 | 28.42 |
| Cash on hand | 0.31 | 0.77 |
| **Total cash and cash equivalents at end of the year** | **13.40** | **29.19** |

iv) Reconciliation of movement of liabilities to cash flow arising from financing activities:

Movement in borrowings:

| Particulars- Reconciliation between opening & closing balances of borrowings | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Opening balance | 202.50 | 102.71 |
| Proceeds during the year (net) | 28.69 | 99.79 |
| **Closing balance** | **231.19** | **202.50** |

Movement in lease liability:

| Particulars- Reconciliation between opening & closing balances of lease liability | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Opening balance | 2.21 | 2.20 |
| Repayments made during the year | (22.07) | (0.94) |
| Additions made during the year | 86.80 | 0.82 |
| Non-cash movements | 6.59 | 0.13 |
| **Closing balance** | **73.53** | **2.21** |

The accompanying notes 1 to 51 are an integral part of these standalone financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

## A. Equity Share Capital

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| **Equity shares of ₹10 each issued, subscribed and fully paid** | | | | |
| Balance at the beginning of the year | 27,82,23,162 | 278.22 | 27,80,38,567 | 278.04 |
| Add: Adjustment for employee stock options exercised during the year (Refer note 39) | 63,150 | 0.07 | 1,84,595 | 0.18 |
| **Balance at the end of the year** | **27,82,86,312** | **278.29** | **27,82,23,162** | **278.22** |

## B. Other Equity (*)

| Particulars | Reserves and surplus | | | | | | Items of other comprehensive income | | Total Equity |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Retained Earnings | Securities Premium | Other Reserve | ESOP trust Reserve | Share options outstanding account | Equity instruments through other comprehensive income | Remeasurement of net defined benefit plans | |
| **Balance at 1 April 2025** | **72.18** | **3,309.91** | **2,138.40** | **1.09** | **(37.94)** | **12.76** | **212.49** | **-** | **5,708.89** |
| Profit for the year | - | 552.85 | - | - | - | - | - | - | 552.85 |
| Proceeds from exercise of employee stock options (Refer note 39) | - | - | - | - | 2.44 | 4.71 | - | - | 7.15 |
| Adjustment for employee stock options lapsed during the year | | 2.73 | | | (2.73) | | | | - |
| Adjustment for employee stock options exercised during the year | - | 0.35 | - | - | | - | - | - | 0.35 |
| Other comprehensive income | - | - | - | - | - | - | (0.15) | 2.81 | 2.66 |
| Income tax effect on Other comprehensive income | - | - | - | - | - | - | 0.02 | (0.71) | (0.69) |
| Dividends paid | - | (113.05) | - | - | - | - | - | - | (113.05) |
| Transfers within equity | - | 2.10 | - | - | - | - | - | (2.10) | - |
| **Balance at 31 March 2026** | **72.18** | **3,754.89** | **2,138.40** | **1.09** | **(38.23)** | **17.47** | **212.36** | **-** | **6,158.16** |
| **Balance at 1 April 2024** | **72.18** | **2,957.75** | **2,138.40** | **1.09** | **(45.92)** | **7.40** | **155.98** | **-** | **5,286.88** |
| Profit for the year | - | 489.62 | - | - | - | - | - | - | 489.62 |
| Proceeds from exercise of employee stock options (Refer note 39) | - | - | - | - | 7.98 | 5.36 | - | - | 13.34 |
| Adjustment for employee stock options exercised during the year | - | 2.15 | - | - | - | - | - | - | 2.15 |
| Other comprehensive income | - | - | - | - | - | - | 44.62 | (1.44) | 43.18 |
| Income tax effect on Other comprehensive income | - | - | - | - | - | - | 11.89 | - | 11.89 |
| Dividends paid | - | (138.17) | - | - | - | - | - | - | (138.17) |
| Transfers within equity | - | (1.44) | - | - | - | - | - | 1.44 | - |
| **Balance at 31 March 2025** | **72.18** | **3,309.91** | **2,138.40** | **1.09** | **(37.94)** | **12.76** | **212.49** | **-** | **5,708.89** |

(*) Refer note 18 for description of the nature and purpose of each reserve within Other equity.

The accompanying notes 1 to 51 are an integral part of these standalone financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 1A Corporate Information

Shyam Metalics and Energy Limited (the "Company") is a public limited company domiciled in India and was incorporated in 2002 under the provisions of the Companies Act, 1956. Its registered and principal office of business is located at Kolkata, West Bengal. The Company is primarily engaged in the business of manufacturing iron and steel.

The Board of Directors approved the Standalone Financial Statements for the year ended 31 March 2026 on 11 May 2026.

## 1B Material accounting policies

### (a) Basis of preparation of Standalone Financial Statements

#### (i) Statement of Compliance with Ind AS

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

#### (ii) Basis of preparation and measurement

These Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The Standalone Financial Statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Standalone Financial Statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

These Standalone Financial Statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

#### (iii) Classification between current and non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### (iv) Use of estimates

The preparation of Standalone Financial Statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying Standalone Financial Statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the Standalone Financial Statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

## (b) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

**Depreciation methods, estimated useful lives**

The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

| Property, plant and equipment | Useful Life |
|---|---|
| Leasehold improvement (*) | Over the contractual lease term |
| Buildings | 5 years to 60 years |
| Plant and Equipment | 5 years to 40 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 8 years to 20 years |
| Office Equipment | 3 years to 10 years |

(*) Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

The residual values are not more than 5% of the original cost of the asset.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

## (c) Other Intangible Assets

Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives.

| Intangible assets | Useful life |
|---|---|
| Computer software | 3 years- 5 Years |

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are not amortised. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

## (d) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## (e) Foreign Currency Transactions and translations

### (i) Functional and presentation currency

Items included in the Standalone Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

### (ii) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## (f) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## (g) Revenue from contract with customer

The Company manufactures and sells a range of iron & steel and other ferro alloy products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

The Company has objective evidence that all criterion for acceptance has been satisfied.

**(i) Sale of goods**

The majority of the Company's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are either dispatched or delivered to the customer, depending on the terms of the contract. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

**Variable consideration:**

The Company recognizes revenue from the sale of goods measured at the transaction price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Goods are often sold with volume and price discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume and price discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 30-90 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**Sales Return:**

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale.

**(ii) Sale of Services**

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

**(iii) Other Operating Revenue**

**Export Benefit**

Revenue from export benefits arising from Remission of Duties and Taxes on Export Products (RoDTEP) and Rebate of State and Central Taxes and Levies (RoSTCL), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

**(iv) Other income**

**Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

**Dividend Income**

Dividend income is recorded when the right to receive payment is established.

**(v) Contract Balances**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

**Contract liability**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

**Trade Receivable**

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

**(h) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Monetary Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non current assets and are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

**(i) Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

**(i) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year/period end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Standalone Financial Statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## (j) Leases

### The Company as a lessee

The Company's lease asset classes primarily consist of leases for long-term period. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## (k) Inventories

### Basis of Valuation

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. 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. The comparison of cost and net realizable value is made on an item-by-item basis.

### Method of Valuation:

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and taxes as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis. Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

Valuation of finished goods and traded goods are valued at cost or net realizable value whichever is less. 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.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

## (l) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## (m) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## (n) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

## (o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### (i) Financial assets

#### (I) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### (II) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized 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 amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method ('EIR').

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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the EIR method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**(III) Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as impairment gain / loss on financial assets in the Statement of Profit and Loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**(IV) Derecognition of financial assets**

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(ii) Financial liabilities**

**(I) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

**(II) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

*Borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Borrowing Cost: Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(III) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

**(IV) Supplier finance arrangements**

The Company also classifies financial liabilities from supplier finance arrangements as trade payables if they are of the same nature and have terms comparable to regular trade payables. This applies when the arrangement is part of the normal operating cycle and has similar security levels. The related cash flows are included in operating activities in the consolidated statement of cash flows.

**(iii) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## (p) Employee Benefits

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

**(I) Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

**(II) Defined benefit plans**

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan"") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Compensated absences**

The liabilities for compensated absences represent the Company's obligations towards earned leave and are classified as other long-term employee benefits. The entire liability has been presented as current, as the Company does not have an unconditional right to defer settlement of these obligations. However, based on past experience, the Company does not expect all employees to avail of the full amount of accrued leave or require payment for such leave within the next 12 months. The portion of the compensated absence liability not expected to be settled within the next 12 months amounts to ₹3.58 crores (31 March 2025: ₹3.36 crores). The expense recognised in the Statement of Profit and Loss for the year amounts to ₹0.68 crores (31 March 2025: ₹1.03).

**(iii) Share-based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the retained earnings.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The Company has established an Employee Stock Option Plan, SMEL Performance Scheme (ESOP 2023) on 25th September 2023 and SMEL Loyalty Scheme on 27th September 2023, which extends to the employees of the wholly owned subsidiary Company namely Shyam Sel and Power Limited ('SSPL'). The ESOP is administered by the 'Shyam Metalics Employee Welfare Trust.

In accordance with the guidance provided under Ind AS 102 – Share-based Payment, the fair value of the stock options granted to employees of the wholly owned subsidiary Company is recognized as an increase in the share option outstanding account over the vesting period, with a corresponding increase in financial asset. The expense is recognized based on the fair value of the options at the grant date.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## (q) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares,

## NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**(r) Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the Summary Statements. The operating segments have been identified on the basis of the nature of products/services. Further:

i. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.

ii. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.

iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.

iv. Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.

v. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

vi. Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

**(s)** All amounts disclosed in Standalone Financial Statements and notes have been rounded off to the nearest crores as per requirement of Schedule III of the Act, unless otherwise stated.

### 1C Significant accounting judgments, estimates and assumptions

The preparation of Standalone Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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. The Company based its assumptions and estimates on parameters available when the Standalone Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Useful lives of property, plant and equipment, right-of-use assets and intangible assets**

The Company reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**(b) Deferred tax assets**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(c) Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the Standalone Financial Statements.

**(d) Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

**(e) Fair value measurements of financial instruments**

When the fair value 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 Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(f) Defined benefit plans (gratuity benefits and compensated absences)**

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 38.

**(g) Allocation of consideration over the fair value of assets and liabilities acquired in a business combination**

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Company. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realised or settled respectively.

### 1D New Standards, Interpretations and Amendments Adopted by the Company

The Ministry of Corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively. These amendments are effective for annual reporting periods beginning on or after 1 April 2025.

**(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:**

The amendments to Ind AS 7, Statement of Cash Flows, and Ind AS 107, Financial Instruments: Disclosures, clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of the Standalone Financial Statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement (refer to note 24).

**(b) Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:**

The amendments to Ind AS 1, Presentation of Standalone Financial Statements, specify the requirements for classifying liabilities as current or non-current in the balance sheet and clarify the following:

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is not affected by the likelihood that the entity will exercise its right to defer settlement.

(ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenants on or before the end of the reporting period.

(iii) For a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current, provided that the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the Standalone Financial Statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

**(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms:**

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

**(d) Amendment to Ind AS 21-Lack of exchangeability**

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the standalone financial statements of the Company.

**New standards and amendments notified but not effective**

Amendment to Ind AS 1 - Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect these amendments to have an impact on its operations or standalone financial statements.



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 2 Property, Plant and Equipment

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Depreciation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Freehold Land | 59.02 | 15.46 | - | 74.48 | - | - | - | - | 74.48 |
| Buildings | 511.63 | 71.96 | - | 583.59 | 201.15 | 29.35 | - | 230.50 | 353.09 |
| Plant and Equipment | 2,569.85 | 494.07 | 6.17 | 3,057.75 | 1,241.95 | 188.75 | - | 1,430.70 | 1,627.05 |
| Furniture and Fixtures | 1.33 | - | - | 1.33 | 1.08 | 0.08 | - | 1.16 | 0.17 |
| Vehicles | 8.75 | 0.92 | 0.10 | 9.57 | 5.06 | 1.10 | - | 6.16 | 3.41 |
| Office Equipment | 5.68 | 1.30 | - | 6.98 | 3.77 | 1.21 | - | 4.98 | 2.00 |
| **Total** | **3,156.26** | **583.71** | **6.27** | **3,733.70** | **1,453.01** | **220.49** | **-** | **1,673.50** | **2,060.20** |

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Depreciation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Freehold Land | 52.98 | 6.04 | - | 59.02 | - | - | - | - | 59.02 |
| Buildings | 460.18 | 51.45 | - | 511.63 | 174.39 | 26.76 | - | 201.15 | 310.48 |
| Plant and Equipment | 2,067.59 | 502.26 | - | 2,569.85 | 1,062.11 | 179.84 | - | 1,241.95 | 1,327.90 |
| Furniture and Fixtures | 1.33 | - | - | 1.33 | 0.96 | 0.12 | - | 1.08 | 0.25 |
| Vehicles | 8.47 | 0.28 | - | 8.75 | 3.81 | 1.25 | - | 5.06 | 3.69 |
| Office Equipment | 4.09 | 1.59 | - | 5.68 | 2.40 | 1.37 | - | 3.77 | 1.91 |
| **Total** | **2,594.64** | **561.62** | **-** | **3,156.26** | **1,243.67** | **209.34** | **-** | **1,453.01** | **1,703.25** |

(a) Refer note 40 (a) for capital commitments.

(b) Refer note 19 for information on property, plant and equipment pledged as security by the Company.

(c) Title deeds of all immovable properties are held in name of the Company except for the following:

| Relevant line item in the Balance sheet | Description of item of property | Gross Carrying Value (₹ crores) | Title Deeds held in the name of: | Whether title deed holder is a promoter, director or relative/ employee of promoter or director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|---|
| Property, plant and equipments | Freehold land | 15.84 | Shyam DRI and Power Limited | No | 2005-2010 | The title deeds are in the erstwhile name of the Company, the Management is yet to get these transferred in the name of the Company |
| Property, plant and equipments | Freehold land | 9.68 | Bhagwan Shaw | No | 2013-2019 | Management is yet to get these transferred in the name of the Company |
| Property, plant and equipments | Freehold land | 0.31 | Kamal Lodha | No | 2007 | Management is yet to get these transferred in the name of the Company |
| Right-of-use assets | Leasehold land | 1.06 | Shyam DRI and Power Limited | No | 2005-2007 | Management is yet to get these transferred in the name of the Company |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 3 Right-of-use assets

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Depreciation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Building | 5.14 | 86.80 | - | 91.94 | 4.19 | 18.05 | - | 22.24 | 69.70 |
| Land | 26.02 | - | - | 26.02 | 2.46 | 0.30 | - | 2.76 | 23.26 |
| **Total** | **31.16** | **86.80** | **-** | **117.96** | **6.65** | **18.35** | **-** | **25.00** | **92.96** |

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Depreciation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Building | 4.78 | 0.82 | 0.46 | 5.14 | 3.96 | 0.69 | 0.46 | 4.19 | 0.95 |
| Land | 26.02 | - | - | 26.02 | 2.24 | 0.22 | - | 2.46 | 23.56 |
| **Total** | **30.80** | **0.82** | **0.46** | **31.16** | **6.20** | **0.91** | **0.46** | **6.65** | **24.51** |

**Notes:**

**(a)** The Company as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of busisness operations. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability. Variable lease payment which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Company has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Company to sub-lease the asset to another party, the right-of-use asset can only be used by the Company. Some lease contain an option to extend the lease for a further term.

**(b)** Additional information on extension/ termination options: Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on consent of the Company.

**(c)** There are no leases which are yet to commence as on 31 March 2026 (31 March 2025: Nil).

**(d)** Lease payments, not included in measurement of liability: The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Short-term leases | 26.00 | 29.80 |
| | **26.00** | **29.80** |

**(e)** Total undiscounted future lease payments relating to underlying leases are as follows:

| Particulars | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **As at 31 March 2026** | | | | | |
| Lease payments | 22.00 | 21.27 | 42.43 | 4.07 | 89.77 |
| | **22.00** | **21.27** | **42.43** | **4.07** | **89.77** |
| **As at 31 March 2025** | | | | | |
| Lease payments | 0.95 | 0.88 | 0.28 | 4.13 | 6.24 |
| | **0.95** | **0.88** | **0.28** | **4.13** | **6.24** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(f)** Leasehold land are in the name of Company except as follows:

| Description of Properties | Description of item of property | Gross Carrying Value: As at 31 March 2026 | Gross Carrying Value: As at 31 March 2025 | Title Deeds held in the name of: | Whether title deed holder is a promoter, director or relative/ employee of promoter or director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|---|---|
| Right-of-use assets | Leasehold land | 1.06 | 1.06 | Shyam DRI and Power Limited | No | 2005 - 2007 | Management is yet to get these transferred in the name of the Company |

**(g)** Amount recognised in the Balance sheet:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(i) Right-of-use assets** | | |
| Buildings | 69.70 | 0.95 |
| Land | 23.26 | 23.56 |
| | **92.96** | **24.51** |
| **(ii) Lease liabilities** | | |
| Non-current | 56.69 | 1.29 |
| Current | 16.84 | 0.92 |
| | **73.53** | **2.21** |

**(h)** Amount recognised in the Statement of Profit and Loss:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Depreciation and amortisation expense | 18.35 | 0.91 |
| Interest expense (included in finance cost) | 6.59 | 0.24 |
| | **24.94** | **1.15** |

**(i)** Carrying value of Right-of-use assets:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 24.51 | 24.60 |
| Additions during the year | 86.80 | 0.82 |
| Depreciation for the year | 18.35 | 0.91 |
| **Balance as at the end of the year** | **92.96** | **24.51** |

**(j)** Movement in lease liabilities:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 2.21 | 2.09 |
| Additions during the year | 86.80 | 0.82 |
| Finance cost accrued during the year | 6.59 | 0.24 |
| Payment of Lease liabilities during the year | (22.07) | (0.94) |
| **Balance as at the end of the year** | **73.53** | **2.21** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(k)** Information about extension and termination options

| Right-of-use assets | Number of leases | Range of remaining term (in years) | Average remaining lease term (in years) | Number of leases with extension option | Number of leases with purchase option | Number of leases with termination option |
|---|---|---|---|---|---|---|
| Building | 12.00 | 1-3 years | 1-3 years | 12.00 | - | - |
| Land | 8.00 | 70-80 years | 70-80 years | 8.00 | - | - |

## 4 Capital Work-in-Progress

| Description | As at 01 April 2025 | Additions | Capitalizations / Adjustments | As at 31 March 2026 |
|---|---|---|---|---|
| Capital work in progress | 286.70 | 652.25 | 503.72 | 435.23 |
| **Total** | **286.70** | **652.25** | **503.72** | **435.23** |

| Description | As at 01 April 2024 | Additions | Capitalizations / Adjustments | As at 31 March 2025 |
|---|---|---|---|---|
| Capital work in progress | 415.34 | 388.83 | 517.47 | 286.70 |
| **Total** | **415.34** | **388.83** | **517.47** | **286.70** |

**Notes:**

(a) Ageing schedule of Capital work-in-progress

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **For the year ended 31 March 2026** | | | | | |
| Projects in progress | 373.14 | 52.71 | 8.30 | 1.08 | 435.23 |
| **For the year ended 31 March 2025** | | | | | |
| Projects in progress | 147.14 | 88.47 | 51.09 | - | 286.70 |

(b) There are no projects as capital work-in-progess as at 31 March 2026 and 31 March 2025, whose completion is overdue or cost of which has exceeds in comparison to its original plan or which has been temporarily suspended.

(c) Borrowing cost capitalised during the year amounts to ₹26.61 crores (31 March 2025: ₹29.60 crores) against qualifying assets under construction using an average capitalisation rate of 6.46% (31 March 2025: 6.33%).

## 5 Intangible assets

| Description | Gross block | | | | Accumulated amortisation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Amortisation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Software | 8.95 | 0.03 | - | 8.98 | 6.49 | 0.74 | - | 7.23 | 1.75 |
| **Total** | **8.95** | **0.03** | **-** | **8.98** | **6.49** | **0.74** | **-** | **7.23** | **1.75** |

| Description | Gross block | | | | Accumulated amortisation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Amortisation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Software | 8.65 | 0.30 | - | 8.95 | 5.74 | 0.75 | - | 6.49 | 2.46 |
| **Total** | **8.65** | **0.30** | **-** | **8.95** | **5.74** | **0.75** | **-** | **6.49** | **2.46** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 6 Investments

### (a) Investments in subsidiaries, associates and joint ventures

| Particulars | Face Value (₹ per share) | Number of shares | | Value | |
|---|---|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| Investment in equity instrument - unquoted | | | | | |
| **Investment in Subsidiary** | | | | | |
| Shyam Sel and Power Limited | 10 | 4,41,30,036 | 4,41,30,036 | 923.10 | 923.10 |
| **Investments in Associate** | | | | | |
| Meghana Vyapaar Private Limited | 10 | 1,00,000 | 1,00,000 | 0.10 | 0.10 |
| **Investment in Joint Venture Entity** | | | | | |
| MJSJ Coal Limited | 10 | 85,59,000 | 85,59,000 | 8.56 | 8.56 |
| Less Provision for impairment in value of investments | | | | (8.56) | (8.56) |
| Investment in Optionally Convertible Debentures- unquoted- measured at cost | | | | | |
| **Investment in Subsidiary** | | | | | |
| Shyam Sel and Power Limited [refer note (a)] | 10 | 80,00,00,000 | 80,00,00,000 | 800.00 | 800.00 |
| **Total (A)** | | | | **1,723.20** | **1,723.20** |

**Notes:**

**(a)** The Company has made investments in its wholly-owned subsidiary, Shyam Sel and Power Limited ("Issuer Company") towards 0% Optionally Convertible Debentures. These debentures are convertible at the option of the Issuer Company in whole or part of the outstanding amount in relation to the OCDs to fully paid up equity shares of the Issuer Company after expiry of 2 years, but before completion of period of 10 years from the date of allotment. Further, if not converted, these debentures are redeemable at the option of the Issuer Company in whole or part of the outstanding amount in relation to the OCDs after expiry of 2 years, at premium of 8.57% p.a. IRR or such higher amount as the Board of the Issuer Company may decide within a period of 30 days from the date of exercise of option but before completion of period of 10 years from the date of allotment.

**(b)** Details of Subsidiaries, Associates and Joint Ventures in accordance with Ind AS 112 "Disclosure of interests in other entities":

| Name of the Company | Country of Incorporation | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 |
| **Subsidiary** | | | |
| Shyam Sel & Power Limited | India | 100.00% | 100.00% |
| **Associates** | | | |
| Meghana Vyapaar Private Limited | India | 33.51% | 33.51% |
| **Joint venture** | | | |
| MJSJ Coal Limited | India | 9.00% | 9.00% |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## (b) Non-current investments

| Particulars | Face Value | Number of shares | | Value of Shares | |
|---|---|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **Investments in Others** | | | | | |
| **(i) Investment in equity shares (refer note (a))** | | | | | |
| (Unquoted, measured at fair value through Other Comprehensive income) | | | | | |
| Dorite Tracon Private Limited | 10 | 7,30,000 | 7,30,000 | 62.58 | 63.32 |
| Narantak Dealcomm Limited | 10 | 16,41,088 | 16,41,088 | 144.74 | 149.82 |
| Subhlabh Commercials Private Limited | 10 | 1,01,350 | 1,01,350 | 2.97 | 2.69 |
| Shubham Capital Private Limited | 10 | 3,57,000 | 3,57,000 | 42.60 | 37.22 |
| | | | | **252.89** | **253.05** |
| **(ii) Investment in Government Securities** | | | | | |
| (Unquoted, carried at amortised cost) | | | | 0.07 | 0.07 |
| **(iii) Investments in Debentures/Bonds** | | | | - | 572.44 |
| (Quoted, carried at amortised cost) | | | | | |
| **(iv) Investments in alternative investment funds** | | | | 632.33 | 269.59 |
| (Unquoted, measured at fair value through profit or loss) | | | | | |
| **(v) Investment in Bonds/Mutual Funds** | | | | 2.46 | 11.00 |
| (Quoted, measured at fair value through profit or loss) | | | | | |
| Less: Current maturities of non-current investments | | | | - | (14.58) |
| **Total (B)** | | | | **887.75** | **1,091.57** |
| **Total (A+B)** | | | | **2,610.95** | **2,814.77** |

**Additional notes:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Aggregate carrying value of unquoted investments | 252.96 | 253.12 |
| Aggregate carrying value of quoted investments | 634.79 | 827.45 |
| Aggregate market value of quoted investments | 634.79 | 827.45 |

**Notes:**

(a) Investments at fair value through Other Comprehensive Income (OCI) (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding.

## (c) Current investments

| Particulars | Value of Shares | |
|---|---|---|
| | As at 31 March 2026 | As at 31 March 2025 |
| **(i) Investment in Bonds/Debentures** | | |
| (Quoted, carried at amortised cost) | 257.93 | 137.63 |
| **(ii) Investments in Bonds** | | |
| (Quoted, measured at fair value through profit or loss) | 129.32 | - |
| **(iii) Investments in Alternative investment funds** | | |
| (Unquoted, measured at fair value through profit or loss) | 22.06 | - |
| **(iv) Investment in Mutual Funds** | | |
| (Quoted, measured at fair value through profit or loss) | 11.75 | 197.10 |
| Add: Current maturities of non current investments | - | 14.58 |
| **Total** | **421.06** | **349.31** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Additional notes:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Aggregate carrying value of unquoted investments | - | - |
| Aggregate carrying value of quoted investments | 421.06 | 349.31 |
| Aggregate market value of quoted investments | 421.06 | 349.31 |

**Notes:**

(a) A description of the Company's financial instrument risks, including risk management objectives and policies is given in Note 42. The methods used to measure financial assets reported at fair value are described in Note 42.

(b) The debt securities inclusing bonds and debentures are meeting Solely Payment of Principal and Interest (SPPI) test and are held in a business model whose objective is to hold the invetsment till maturity are designated as amortised cost.

(c) There were no impairment in investments for the year ending 31 March 2026 (31 March 2025 - Nil).

## 7 Loans (non-current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Loan to related parties (refer note 41) | 0.13 | 0.13 |
| | 0.13 | 0.13 |

**Note:** Disclosures pursuant to regulation 34 (3) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies Act, 2013.

| Particulars | Balance outstanding as at | | Maximum balance outstanding during the year | | Rate of interest (%) | Purpose of loan |
|---|---|---|---|---|---|---|
| | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | | |
| Loans to subsidiary | 0.13 | 0.13 | 0.13 | 0.13 | 6% | General corporate purpose |

## 8 Other financial assets (non-current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Unsecured, considered good** | | |
| Security deposits (Long Term) | 15.92 | 14.96 |
| Bank deposits with maturity more than 12 months (refer note (a) below) | 4.54 | 1.64 |
| | **20.46** | **16.60** |

**Note:**

(a) Fixed Deposits amounting to ₹4.54 Crores (31 March 2025 : ₹1.64 Crores) are held as margin money

## 9 Non-current tax assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Advance tax** | | |
| (net of provisions for tax amounting to ₹585.91 crores (31 March 2025: ₹482.63 crores) | 81.02 | 81.43 |
| | **81.02** | **81.43** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 10 Other non-current assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Unsecured, considered good** | | |
| Capital advances (Long Term) | 196.19 | 105.52 |
| Deposits against demands under dispute | 3.40 | 3.41 |
| Advance to Employees [refer note below] | 2.82 | 2.80 |
| | **202.41** | **111.73** |

**Note:**

Advance to employees includes advances made to directors and their relatives (refer note 41)

## 11 Inventories

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Valued at lower of cost and net realisable value** | | |
| Raw materials | 806.85 | 401.04 |
| Finished goods | 370.43 | 311.76 |
| Stores and spares | 112.38 | 122.74 |
| By-products | 19.03 | 55.53 |
| Less: Provision for slow and non-moving items | (0.35) | (0.61) |
| | **1,308.34** | **890.46** |
| **Included above, goods-in-transit** | | |
| Raw materials | 152.95 | 83.41 |
| Finished goods | 28.84 | 5.44 |
| | **181.79** | **88.85** |

**Notes:**

(a) Refer note 19 for information on inventories pledged as security by the Company.

(b) The movement in provision for slow and non-moving items is as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Opening balance** | 0.61 | 0.43 |
| Movement during the year | (0.26) | 0.18 |
| **Closing Balance** | **0.35** | **0.61** |

(c) Write-down of inventories to net realisable value amounted to ₹ Nil crores (31 March 2025: ₹ Nil crores). These were recognised as an expense during the year and included in 'Changes in inventories of finished goods, stock-in-trade and work-in-progress' in the Statement of Profit and Loss (Refer note 30).

## 12 Trade receivables

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Secured, considered good | 29.45 | 12.37 |
| Unsecured, considered good | 1,130.44 | 922.02 |
| Receivables which have significant increase in credit risk | - | - |
| Credit impaired | 10.97 | 11.10 |
| | 1,170.86 | 945.49 |
| Less: Allowance on account of credit impaired | (10.97) | (11.10) |
| | **1,159.89** | **934.39** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

(a) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(b) For trade receivable outstanding from related parties (refer note 41)

(c) There are no trade or other receivable which are either due from directors or other officers of the Company either severally or jointly with any other person.

(d) Trade receivables are non-interest bearing and are generally on credit terms of 30 to 60 days. The Company does not hold any collateral security.

(e) Trade receivable ageing:

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **As at 31 March 2026:** | | | | | | | |
| **Undisputed:** | | | | | | | |
| - Considered good | - | 701.29 | 336.17 | 121.12 | 1.12 | 0.19 | 1,159.89 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 1.80 | 0.78 | 0.06 | 0.37 | 1.27 | 4.28 |
| **Disputed:** | | | | | | | |
| - Considered good | - | - | - | - | - | - | - |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 0.16 | 1.56 | 0.03 | 4.71 | 0.23 | 6.69 |
| **Total (A)** | **-** | **703.25** | **338.51** | **121.21** | **6.20** | **1.69** | **1,170.86** |
| Less: Allowance for significant increase in credit risk | - | - | - | - | - | - | - |
| Less: Allowance for credit impairment | - | 1.96 | 2.34 | 0.09 | 5.08 | 1.50 | 10.97 |
| **Total (B)** | **-** | **1.96** | **2.34** | **0.09** | **5.08** | **1.50** | **10.97** |
| Expected credit loss rate (ECL) | - | 0% | 1% | 0% | 82% | 89% | 1% |
| **Total (A-B)** | **-** | **701.29** | **336.17** | **121.12** | **1.12** | **0.19** | **1,159.89** |
| **As at 31 March 2025:** | | | | | | | |
| **Undisputed:** | | | | | | | |
| - Considered good | - | 922.93 | 9.75 | 0.81 | 0.90 | - | 934.39 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 1.66 | 1.36 | 0.23 | 0.61 | - | 3.86 |
| **Disputed:** | | | | | | | |
| - Considered good | - | - | - | - | - | - | - |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 0.06 | 0.14 | 4.67 | 0.63 | 1.74 | 7.24 |
| **Total (A)** | **-** | **924.65** | **11.25** | **5.71** | **2.14** | **1.74** | **945.49** |
| Less: Allowance for significant increase in credit risk | - | - | - | - | - | - | - |
| Less: Allowance for credit impairment | - | 1.72 | 1.50 | 4.90 | 1.24 | 1.74 | 11.10 |
| **Total (B)** | **-** | **1.72** | **1.50** | **4.90** | **1.24** | **1.74** | **11.10** |
| Expected credit loss rate (ECL) | - | 0% | 13% | 86% | 58% | 100% | 1% |
| **Total (A-B)** | **-** | **922.93** | **9.75** | **0.81** | **0.90** | **-** | **934.39** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

(e) The movement in allowances for doubtful receivables is as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Opening balance** | 11.10 | 12.64 |
| Additions | - | - |
| Written back during the year | (0.13) | (1.54) |
| **Closing Balance** | **10.97** | **11.10** |

## 13 Cash and cash equivalents

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Balance with banks:** | | |
| - In current accounts | 13.09 | 28.42 |
| Cash on hand | 0.31 | 0.77 |
| **Total** | **13.40** | **29.19** |

## 14 Bank balances other than cash and cash equivalents

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Earmarked balances with banks** | | |
| Unclaimed Dividend | 0.74 | 0.16 |
| Fixed Deposits with remaining maturity for less than 3 months (Refer note below) | 0.03 | - |
| Fixed Deposits with remaining maturity for more than 3 months but less than 12 months (Refer note below) | 0.10 | 0.82 |
| | **0.87** | **0.98** |

**Note:**

Fixed Deposits amounting to ₹0.10 Crores (31 March 2025 : ₹0.74 Crores) are held as margin money

## 15 Other financial assets (current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Security deposits | 0.60 | 0.99 |
| Interest accrued and due on fixed deposits | 0.18 | 0.07 |
| Interest accrued and due on security deposits | 0.81 | 0.78 |
| Interest accrued and due on loans | 0.02 | 0.02 |
| Receivable from subsidiary against employee stock option plan | 11.89 | 8.78 |
| Incentive receivable | 1.84 | 3.48 |
| | **15.34** | **14.12** |

## 16 Other current assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Advance to suppliers | 273.41 | 157.58 |
| Prepaid expenses | 2.38 | 0.18 |
| Advances to employees | 4.72 | 4.20 |
| Balances with statutory authorities | 18.74 | 1.29 |
| | **299.25** | **163.25** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 17 Equity Share Capital

### a) Authorised

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Authorised Capital** | | |
| 400,000,000 (31 March 2025 - 400,000,000) Equity Shares of ₹10 each | 400.00 | 400.00 |
| **Total** | **400.00** | **400.00** |

### b) Issued, subscribed and paid-up Share Capital

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Issued, subscribed & fully paid-up Capital** | | |
| 278,286,312 (31 March 2025 - 278,223,162) equity shares of ₹10 each | 278.29 | 278.22 |
| **Total** | **278.29** | **278.22** |

### c) Reconciliation of equity shares outstanding at the end of the reporting period

| Particulars | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| Equity shares at the beginning of the year | 27,82,23,162 | 278.22 | 27,80,38,567 | 278.04 |
| Add: Adjustment for employee stock options exercised during the year | 63,150 | 0.07 | 1,84,595 | 0.18 |
| **Equity shares at the end of the year** | **27,82,86,312** | **278.29** | **27,82,23,162** | **278.22** |

The Company has formed Shyam Metalics Employee Welfare Trust ('Trust') for the implementation of its ESOP scheme. The Trust had acquired 1,093,286 shares from the market out of 27,91,31,853 shares which was accordingly presented on a net basis. During the year ended 31 March 2026, the Trust has transferred 63,150 number of equity shares (31 March 2025: 184,595) aggregating to 247,745 shares till date to the eligible employees of the group pursuant to the exercise of vested stock options which were granted to them by the Group vide its 'SMEL Performance ESOP Scheme (ESOP 2023)', and 'SMEL Loyalty Scheme (ESOP II- 2023) (refer note 39).

### d) Rights/preferences/restrictions attached to equity shares

(i) The Company has only one class of equity shares having a par value of ₹10 per share.
Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

(ii) 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

### e) Particulars of shareholders holding more than 5% shares of a class of shares

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Number of shares | % of shareholding | Number of shares | % of shareholding |
| **Equity shares of ₹10 each fully paid up, held by:** | | | | |
| Subham Buildwell Private Limited | 6,10,28,420 | 21.86% | 6,10,28,420 | 21.86% |
| Narantak Dealcomm Limited | 4,32,23,170 | 15.48% | 4,32,23,170 | 15.48% |
| Subham Capital Private Limited | 4,07,85,620 | 14.61% | 4,07,85,620 | 14.61% |
| Brij Bhushan Agarwal | 2,32,84,820 | 8.34% | 2,32,84,820 | 8.34% |
| Kalpataru Housefin & Trading Private Limited | 2,14,02,157 | 7.67% | 2,14,02,157 | 7.67% |
| Dorite Tracon Private Limited | 1,42,16,273 | 5.09% | 1,42,16,273 | 5.09% |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**f) Shareholding of promoters are as follows:**

| Name of the Promoter / Promoter Group | As at 31 March 2026 | | | As at 31 March 2025 | | |
|---|---|---|---|---|---|---|
| | No. of Shares | % of total shares | % change during the year | No of Shares | % of total shares | % change during the year |
| **Promoters:** | | | | | | |
| Subham Buildwell Private Limited | 6,10,28,420 | 21.86% | 0.00% | 6,10,28,420 | 21.86% | 0.00% |
| Narantak Dealcomm Limited | 4,32,23,170 | 15.48% | 0.00% | 4,32,23,170 | 15.48% | 0.00% |
| Subham Capital Private Limited | 4,07,85,620 | 14.61% | 0.00% | 4,07,85,620 | 14.61% | 0.00% |
| Kalpataru Housefin & Trading Private Limited | 2,14,02,157 | 7.67% | 0.00% | 2,14,02,157 | 7.67% | 0.00% |
| Dorite Tracon Private Limited | 1,42,16,273 | 5.09% | 0.00% | 1,42,16,273 | 5.09% | 0.00% |
| Top Light Mercantiles Private Limited | 6,98,750 | 0.25% | 0.00% | 6,98,750 | 0.25% | 0.00% |
| Brij Bhushan Agarwal | 2,32,84,820 | 8.34% | 0.00% | 2,32,84,820 | 8.34% | 0.00% |
| Sanjay Kumar Agarwal | 31,580 | 0.01% | 0.00% | 31,580 | 0.01% | 0.00% |
| Mahabir Prasad Agarwal | 2,525 | 0.00% | 0.00% | 2,525 | 0.00% | 0.00% |
| **Promoter's Group:** | | | | | | |
| Brij Bhushan Agarwal HUF | 22,50,000 | 0.81% | 0.00% | 22,50,000 | 0.81% | 0.00% |
| Mittu Agarwal | 11,33,750 | 0.41% | 0.00% | 11,33,750 | 0.41% | 0.00% |
| Sangita Agarwal | 45,000 | 0.02% | 0.00% | 45,000 | 0.02% | 0.00% |
| Kirandevi Vimal Agrawal | 45,176 | 0.02% | 0.00% | 45,176 | 0.02% | 0.39% |
| Anita Jhunjhunwala | 45,000 | 0.02% | 0.00% | 45,000 | 0.02% | 0.00% |
| Bajrang Lal Agarwal | 2,500 | 0.00% | 0.00% | 2,500 | 0.00% | 0.00% |
| **Total:** | **20,81,94,741** | **75%** | **0%** | **20,81,94,741** | **75%** | **0%** |

**(g)** 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 year end.

**(h) Shares reserved for issue under options**

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 39.

**(i)** No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**(j) Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

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

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Final dividend for year ended 31 March 2026 (₹2.70 per share) [Refer note (a) below] | 75.14 | - |
| Interim dividend for year ended 31 March 2026 (₹1.80 per share) | 50.08 | - |
| Final dividend for year ended 31 March 2025 (₹2.25 per share) | - | 62.60 |
| Interim dividend for year ended 31 March 2025 (₹2.25 per share) | - | 62.56 |





**Note:**

(a) This is subject to the approval by the members of the Company at the ensuing Annual General Meeting.

(b) Out of the total dividend distributed in FY 2022-23, 2023-24, 2024-25, 2025-26 an amount of ₹0.74 Crores (31 March 2025: ₹0.16 Crores) is unpaid and is lying in our bank accounts earmarked for dividend payment

## 18 Other equity

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Reserves and surplus** | | |
| - Capital Reserve | 72.18 | 72.18 |
| - Retained Earnings | 3,754.89 | 3,309.91 |
| - Securities premium reserve | 2,138.40 | 2,138.40 |
| - Other reserves | 1.09 | 1.09 |
| - ESOP Trust Reserve | (38.23) | (37.94) |
| - Share options outstanding account | 17.47 | 12.76 |
| **Other comprehensive income** | | |
| - Equity instruments through other comprehensive income ('OCI') | 212.36 | 212.49 |
| | **6,158.16** | **5,708.89** |

**Notes:**

**(a) Capital Reserve:** Capital reserve has been created to set aside gains of capital nature from amalgamation and merger. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 72.18 | 72.18 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **72.18** | **72.18** |

**(b) Retained earnings:** Retained earnings represents the profits earned by the Company till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 3,309.91 | 2,957.75 |
| Add: Profit for the year | 552.85 | 489.62 |
| Add: Other comprehensive income for the year (net of taxes) | 2.10 | (1.44) |
| Add: Adjustment for employee stock options exercised during the year | 0.35 | 2.15 |
| Add: Adjustment for employee stock options lapsed during the year (Refer note 39) | 2.73 | |
| Less: Dividends paid during the year | (113.05) | (138.17) |
| **Balance as at the end of the year** | **3,754.89** | **3,309.91** |

**(c) Security premium:** Security premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 2,138.40 | 2,138.40 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **2,138.40** | **2,138.40** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(d) Other reserves:** Other reserves represents the appropriation of profits earned to reserves. This reserve is not available for capitalisation/declaration of dividend/share buy-back. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 1.09 | 1.09 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **1.09** | **1.09** |

**(e) ESOP Trust Reserve:** ESOP Trust reserve represents the value of securities held by the ESOP trust for the purposes of issuance of shares to employees by the Trust and other income/ expenses included in the Statement of Profit and Loss. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | (37.94) | (45.92) |
| Add: Proceeds from exercise of employee stock options (Refer note 39) | 2.44 | 7.98 |
| Less: Adjustment for employee stock options lapsed during the year (Refer note 39) | (2.73) | - |
| **Balance as at the end of the year** | **(38.23)** | **(37.94)** |

**(f) Share options outstanding account:** The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 12.76 | 7.40 |
| Add: Adjustments on vesting of employee stock options (Refer note 39) | 4.71 | 5.36 |
| **Balance as at the end of the year** | **17.47** | **12.76** |

**(g) Equity instruments through OCI:** The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the equity instruments through OCI shown under the head other equity. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 212.49 | 155.98 |
| Add: Fair value changes to investments in equity instruments (net of taxes) | (0.13) | 56.51 |
| **Balance as at the end of the year** | **212.36** | **212.49** |

## 19 Borrowings

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| (Secured) | | |
| Commercial Vehicle Loan (refer note (a) below) | 1.19 | 1.76 |
| | **1.19** | **1.76** |
| Less: Current maturities of non-current borrowings | (0.56) | (0.56) |
| **Total** | **0.63** | **1.20** |





| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **B. Current** | | |
| (Secured, repayable on demand) | | |
| From banks: | | |
| - Working capital - Demand Loan (refer note (b) below) | 230.00 | 200.00 |
| - Working capital - Cash Credit (refer note (c) below) | - | 0.74 |
| Current maturities of non-current borrowings | 0.56 | 0.56 |
| **Total** | **230.56** | **201.30** |

**Notes:**

**(a) Commercial Vehicle loan** - Hire Purchase loans are repayable in monthly installments and secured by assets purchased there again.

**(b) Short-term demand loan** (working capital demand loan) has been availed from banks for financing of the working capital requirement for a period of 60 - 90 days. The rate of interest on these facilities ranges between 6.03% p.a. - 8.93% p.a. (31 March 2025: 6.74% p.a. - 12.04% p.a.) and is payable at monthly rests on the 1st day of the subsequent month/at maturity, as applicable. These are secured by way of hypothecation of the Company's entire current assets (excluding investments) and further secured by second charge on property, plant and equipments of the Company.

**(c) Cash credit facilities** from banks carry interest ranging between 8.43% p.a. - 8.77% p.a. (31 March 2025 : 8.45% p.a. - 9.90% p.a.), computed on a daily basis on the actual amount utilised, and are repayable on demand. These are secured by way of hypothecation of the Company's entire current assets (excluding investments) and further secured by second charge on property, plant and equipments of the Company.

**(d)** During the year the company has not defaulted on any repayment of borrowings.

## 20 Lease Liabilities

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| - Lease liabilities | 56.69 | 1.29 |
| | **56.69** | **1.29** |
| **B. Current** | | |
| - Lease liabilities | 16.84 | 0.92 |
| | **16.84** | **0.92** |

**Notes:**

Refer note 3 for detailed disclosures of Ind AS 116.

## 21 Other financial liabilities

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| Retention money | 26.29 | 17.15 |
| | **26.29** | **17.15** |
| **B. Current** | | |
| Interest accrued but not due on borrowings | 8.53 | 8.63 |
| Unpaid dividend (refer note below) | 0.74 | 0.16 |
| Creditors for capital goods | 71.51 | 36.62 |
| Payable towards mark-to-market loss on forward contract | 1.29 | - |
| Employee related payables | 22.51 | 21.65 |
| | **104.58** | **67.06** |

**Notes:**

These are not yet due for credit into the Investor Education and Protection Fund, in accordance with Section 124 of the Act, as on 31 March 2026: Nil (31 March 2025: Nil).

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 22 Provisions

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| Provision for employee benefits - Gratuity (refer note 38) | 16.52 | 13.89 |
| | **16.52** | **13.89** |
| **B. Current** | | |
| Provision for employee benefits - Gratuity (refer note 38) | 0.80 | 0.69 |
| Provision for employee Benefits - Leave | 5.61 | 4.47 |
| | **6.41** | **5.16** |

## 23 Deferred tax liabilities (net)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Deferred tax liabilities arising on account of:** | | |
| Property, plant and equipment, Right of use assets and other intangible assets | 62.47 | 43.75 |
| Fair valuation of financial instruments through FVTPL | 10.37 | 9.14 |
| Fair valuation of financial instruments through OCI | 35.81 | 35.83 |
| | **108.65** | **88.72** |
| **Deferred tax assets arising on account of:** | | |
| Lease liabilities | 17.95 | 0.61 |
| Impairment loss on financial assets | 2.80 | 2.55 |
| Provision for employee benefits | 5.77 | 4.79 |
| Others | 2.15 | 3.06 |
| | **28.67** | **11.01** |
| | **79.98** | **77.71** |

**Notes:**

(a) Movement in of deferred tax (assets) / liabilities (net):

| Particulars | Balance as at the beginning of the year | Recognised in the Statement of Profit and Loss | Recognised in Other Comprehensive Income | Utilisation/ reversal of MAT credit entitlement | Balance as at the end of the year |
|---|---|---|---|---|---|
| **Year ended 31 March 2026: (refer note below)** | | | | | |
| **Deferred tax liabilities arising on account of:** | | | | | |
| Property, plant and equipment and other intangible assets | 43.75 | 18.72 | - | - | 62.47 |
| Fair valuation of financial instruments through FVTPL | 9.14 | 1.23 | | | 10.37 |
| Fair valuation of financial instruments through OCI | 35.83 | - | (0.02) | - | 35.81 |
| **Deferred tax assets arising on account of:** | | | | | |
| Lease liabilities | 0.61 | 17.34 | - | - | 17.95 |
| Impairment loss on financial assets | 2.55 | 0.25 | - | - | 2.80 |
| Provision for employee benefits | 4.79 | 1.69 | (0.71) | - | 5.77 |
| Others | 3.06 | (0.91) | - | - | 2.15 |
| | **77.71** | **1.58** | **0.69** | **-** | **79.98** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Balance as at the beginning of the year | Recognised in the Statement of Profit and Loss | Recognised in Other Comprehensive Income | Utilisation/ reversal of MAT credit entitlement | Balance as at the end of the year |
|---|---|---|---|---|---|
| **Year ended 31 March 2025:** | | | | | |
| **Deferred tax liabilities arising on account of:** | | | | | |
| Property, plant and equipment and other intangible assets | 64.35 | (20.60) | - | - | 43.75 |
| Fair valuation of financial instruments through FVTPL | 8.08 | 1.06 | | | 9.14 |
| Fair valuation of financial instruments through OCI | 47.72 | - | (11.89) | - | 35.83 |
| **Deferred tax assets arising on account of:** | | | | | |
| Lease liabilities | 0.73 | (0.12) | - | - | 0.61 |
| Impairment loss on financial assets | 4.42 | (1.87) | - | - | 2.55 |
| Provision for employee benefits | 6.45 | (1.66) | - | - | 4.79 |
| Others | 0.15 | 2.91 | - | - | 3.06 |
| MAT credit entitlement | 17.36 | - | | (17.36) | - |
| | **91.04** | **(18.80)** | **(11.89)** | **17.36** | **77.71** |

## 24 Trade Payables

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Total outstanding due to micro enterprise and small enterprise (refer note below) | 3.78 | - |
| Total outstanding due to creditors other than micro enterprise and small enterprise | 1,609.27 | 873.12 |
| | **1,613.05** | **873.12** |

**Notes:**

(a) Disclosure required under Sec 22 of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') :

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| (a) Dues remaining unpaid to any supplier at the year end | | |
| - Principal | 3.78 | - |
| - Interest on the above | - | - |
| (b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year | | |
| - Principal beyond the appointed date | - | - |
| - Interest paid in terms of Section 16 of the MSMED Act | - | - |
| (c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year | - | - |
| (d) Amount of interest accrued and remaining unpaid | - | - |
| (e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises | - | - |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(b) Trade Payable ageing schedule:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **As at 31 March 2026:** | | | | | | |
| - MSME | - | 3.78 | - | - | - | 3.78 |
| - Others | 1,272.42 | 308.70 | 4.99 | 5.58 | 17.58 | 1,609.27 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| **Total Trade Payables** | **1,272.42** | **312.48** | **4.99** | **5.58** | **17.58** | **1,613.05** |
| **As at 31 March 2025:** | | | | | | |
| - MSME | - | - | - | - | - | - |
| - Others | 549.06 | 290.83 | 13.12 | 7.17 | 12.94 | 873.12 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| **Total Trade Payables** | **549.06** | **290.83** | **13.12** | **7.17** | **12.94** | **873.12** |

(c) Supplier financing arrangement:

The Company has entered into supplier financing arrangement with various lenders via third-party platform. Pursuant to the same, the respective financial institution settles the invoices to the vendors and the Company subsequently settles the full invoice amount directly with the financial institution based on the terms of the arrangement, which ranges from 90-120 days from the invoice date. The Company does not provide any collateral or guarantees to the financial institution pursuant to this arrangement. The trade payables subject to the supplier finance arrangement, as described above, are included within trade payables in the standalone balance sheet.

Payment Terms:

| Particulars | 31 March 2026 | 31 March 2025 |
|---|---|---|
| - Liabilities that are part of the arrangement | 90-120 days after invoice date | NA(*) |
| - Comparable trade payables that are not part of an arrangement. | 30-90 days after invoice date | NA(*) |

Carrying amount of Trade Payables:

| Particulars | 31 March 2026 | 31 March 2025 |
|---|---|---|
| - Trade payables that are part of a supplier finance arrangement | 148.15 | NA(*) |
| - Trade payables for which the suppliers have already received payment | 144.37 | NA(*) |

(*)The company has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods.

## 25 Other liabilities:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Statutory dues payable | 4.05 | 31.20 |
| Liability for Water Charges | - | 12.31 |
| Advance from customers | 46.05 | 44.18 |
| Other payables | 39.48 | 56.97 |
| | **89.58** | **144.66** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 26 Current tax liabilities (net)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for tax [net of advance tax and taxes deducted at source amounting to ₹361.18 Crores (31 March 2025: ₹287.33 Crores)] | 45.68 | 32.72 |
| | **45.68** | **32.72** |

## 27 Revenue from operations

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Sale of goods | 6,925.34 | 6,401.95 |
| Sale of services | 42.11 | 56.72 |
| | **6,967.45** | **6,458.67** |
| Other operating revenues | 24.26 | 19.67 |
| Export incentives received | 1.27 | 1.02 |
| | **6,992.98** | **6,479.36** |

**Notes:**

(a) Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:

(i) Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Revenue as per contract price | 6,968.49 | 6,465.59 |
| Less: Variable consideration | 1.04 | 6.92 |
| | **6,967.45** | **6,458.67** |

(ii) Disaggregated revenue information:

- Revenue by product lines and others:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| TMT and long products | 3,358.16 | 3,201.11 |
| Sponge iron | 947.45 | 1,243.34 |
| Pellet | 888.24 | 544.61 |
| Ferro products | 821.90 | 618.84 |
| Others | 951.70 | 850.77 |
| | **6,967.45** | **6,458.67** |

- Revenue by geography:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| India | 6,800.85 | 6,375.61 |
| Outside India | 166.60 | 83.06 |
| **Total** | **6,967.45** | **6,458.67** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(iii) The following table provides information about receivables, contract asset and contract liabilities from contracts with customers:-

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Trade receivables (refer note 12) | 1,159.89 | 934.39 |
| Contract liabilities (refer note 25) | 46.05 | 44.18 |

(iv) Performance Obligation

The majority of the Company's revenue is derived from selling goods, with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. The amounts receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers. The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty. The amount of revenue that will be recognised in future period on the contract for supply of goods whose performance obligation will be satisfied over the next 12 months amounts to ₹40.71 crores for 31 March 2026 (31 March 2025: ₹6.04 crores)

## 28 Other Income

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Interest received on financial assets carried at amortised cost: | | |
| - Deposits | 1.01 | 0.95 |
| - Loans | 0.01 | 8.34 |
| - Interest income on financial assets carried at amortised cost | 74.92 | 82.96 |
| Net gain on financial instruments measured at fair value through profit or loss | 20.52 | 50.97 |
| Dividend income | 1.05 | - |
| Insurance income | 3.87 | - |
| Sundry balances written back | 8.61 | 1.10 |
| Insurance claim received | 0.78 | - |
| **Total** | **110.77** | **144.32** |

## 29 Cost of materials consumed

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Inventory of raw materials as at the beginning of the year | 401.04 | 304.16 |
| Add: Purchases | 5,038.81 | 4,479.71 |
| | **5,439.85** | **4,783.87** |
| Less: Inventory of raw materials as at the end of the year | 806.85 | 401.04 |
| | **4,633.00** | **4,382.83** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 30 Changes in inventories finished goods and by-products

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Opening Stock** | | |
| Finished Goods | 311.76 | 298.11 |
| By-Products | 55.53 | 68.98 |
| | **367.29** | **367.09** |
| **Closing Stock** | | |
| Finished Goods | 370.43 | 311.76 |
| By-Products | 19.03 | 55.53 |
| | **389.46** | **367.29** |
| **(Increase) / Decrease in Inventories** | **(22.17)** | **(0.20)** |

## 31 Employee benefits expense

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Salaries, wages and bonus | 186.73 | 183.55 |
| Contribution to provident and other funds | 7.39 | 8.94 |
| Share-based payment to employees (refer note 39) | 3.16 | 4.73 |
| Staff welfare expenses | 1.07 | 0.97 |
| **Total** | **198.35** | **198.19** |

**Notes:**

(a) During the period the Company recognised an amount of ₹6.50 Crores (31 March 2025: ₹5.18 Crores) included above as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

**Payment to Key Managerial Personnel:**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Short-term employee benefits | 6.50 | 5.18 |
| Post-employment benefits | - | - |
| Other long-term benefits | - | - |
| **Total** | **6.50** | **5.18** |

(b) For descriptive notes on disclosure of defined benefit obligation refer note 38

## 32 Finance costs

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Interest on borrowings | 4.82 | 9.28 |
| Interest on lease liabilities | 6.59 | 0.24 |
| Other borrowing costs | 39.14 | 40.36 |
| **Total** | **50.55** | **49.88** |

**Note**

Borrowing cost capitalised during the year amounts to ₹26.61 crores (31 March 2025: ₹29.60 crores) against qualifying assets under construction using an average capitalisation rate of 6.46% (31 March 2025: 6.33%).

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 33 Depreciation and amortisation expense

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Depreciation on property, plant and equipment (owned assets) | 220.49 | 209.34 |
| Depreciation on right-of-use assets | 18.35 | 0.91 |
| Amortisation of other intangible assets | 0.74 | 0.75 |
| **Total** | **239.58** | **211.00** |

## 34 Impairment loss

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Write back off expected credit loss on Trade Receivables | (0.13) | (1.54) |
| **Total** | **(0.13)** | **(1.54)** |

## 35 Other expenses

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Rent and hire charges | 26.00 | 29.80 |
| Rates and taxes | 20.34 | 17.26 |
| Power, fuel and electricity expenses | 139.98 | 208.08 |
| Consumption of stores and spares parts | 188.93 | 224.80 |
| Repairs and maintenance: | | |
| - Buildings | 4.93 | 6.83 |
| - Plant and machinery | 4.77 | 8.59 |
| - Others | 8.70 | 7.75 |
| Insurance | 8.78 | 18.51 |
| Commission and brokerage | 17.05 | 18.66 |
| Advertisement and publicity expenses | 14.99 | 10.31 |
| Legal and professional fees | 25.87 | 20.12 |
| Charity and donations | 0.60 | 0.45 |
| Labour charges | 123.88 | 121.39 |
| Freight and forwarding expenses | 55.36 | 30.78 |
| Auditors' fees (refer note below) | 0.66 | 0.62 |
| Profit on sale of property, plant and equipment | 0.16 | - |
| Corporate social responsibility (refer note 45) | 9.39 | 10.16 |
| Sundry Balances written off | 2.12 | 0.09 |
| Foreign exchange fluctuations (net) | 32.78 | 4.33 |
| Miscellaneous expenses | 31.81 | 42.96 |
| **Total** | **717.10** | **781.49** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Note:**

(a) Payments to auditors (excluding applicable taxes) (*)

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **As auditors:** | | |
| - Audit fees (including limited reviews and tax audit) | 0.62 | 0.58 |
| - For other services | - | 0.01 |
| - For reimbursement of expense | 0.04 | 0.03 |
| | **0.66** | **0.62** |

## 36 Tax expenses

### (a) Income tax expense charged to the Statement of Profit or Loss:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Current tax | 185.30 | 172.28 |
| Prior year taxes | 4.06 | - |
| Deferred tax charge / (credit) | 1.58 | (1.44) |
| | **190.94** | **170.84** |

### (b) Income tax expense charged to OCI

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Tax on Fair value changes to investments in equity instrument | (0.02) | (12.26) |
| Net loss on remeasurements of defined benefit plans | 0.71 | 0.37 |
| | **0.69** | **(11.89)** |

### (c) Reconciliation of tax charge

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Profit before tax | 743.79 | 660.46 |
| Tax Rate | 25.17% | 25.17% |
| Income tax expense at tax rates applicable | **187.20** | **166.22** |
| **Tax effects of:** | | |
| Effect of allowances and inadmissible expenses under Income Tax Act, 1961 | 3.22 | 2.74 |
| Deduction under section 80JJA, 80IA and 80G under Income Tax Act, 1961 | (1.31) | (1.44) |
| Differential tax rate for capital gains on investments | (1.37) | (3.33) |
| Prior year taxes | 4.06 | - |
| Other Adjustments | (0.86) | 6.65 |
| **Tax expense as per Statement of Profit and Loss** | **190.94** | **170.84** |

### (d) The following tables provides the details of income-tax assets and current tax liabilities:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Non-current tax assets (refer note 9) | 81.02 | 81.43 |
| Current tax liabilities (refer note 26) | 45.68 | 32.72 |
| **Net position** | **35.34** | **48.71** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 37 Earnings per equity share

The Company's Earnings Per Share (EPS) is determined based on the net profit / (loss) attributable to the shareholders of the company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that particular year including share options, except where the result would be anti-dilutive.

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Net Profit attributable to equity shareholders** | 552.85 | 489.62 |
| Nominal value of equity shares (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares for basic EPS | 27,82,39,026 | 27,80,42,824 |
| **Effects of dilution:** | | |
| - Stock options | 9,53,834 | 10,89,029 |
| Weighted average number of equity shares adjusted for the effect of dilution | 27,91,92,860 | 27,91,31,853 |
| **Basic earnings per equity share (₹)** | **19.87** | **17.61** |
| **Diluted earnings per equity share (₹)** | **19.80** | **17.54** |

## 38 Employee benefits

### (a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident and Pension Fund for the year aggregated to ₹7.39 crores. (31 March 2025: ₹8.94 crores)

### (b) Defined benefit plans

The Company operates one post-employment defined benefit plan (i.e., gratuity). The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days basic salary for each year of completed service at the time of retirement/exit. Gratuity scheme is not funded by any plan assets.

**Inherent risk**

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

**(i) Changes in defined benefit obligation**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Present value of obligation as at the beginning of the year | 14.58 | 10.64 |
| Interest cost | 0.93 | 0.73 |
| Current service cost | 2.90 | 2.69 |
| Past service cost | 2.85 | - |
| Benefits paid | (1.13) | (0.92) |
| Actuarial loss/(gain) on obligations | (2.81) | 1.44 |
| **Present value obligation as at the end of the year** | **17.32** | **14.58** |

**(ii) Breakup of actuarial gain/loss:**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Actuarial (gain)/loss arising from change in financial assumption | (1.21) | 0.93 |
| Actuarial (gain)/loss arising from experience adjustment | (1.60) | 0.51 |



# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(iii) Reconciliation of present value of defined benefit obligation and the fair value of plan assets**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Present value obligation as at the end of the year | 17.32 | 14.58 |
| Fair value of plan assets as at the end of the year | - | - |
| | **17.32** | **14.58** |

**(iv) Amount recognized in the Statement of Profit and Loss**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Current service cost | 2.90 | 2.69 |
| Interest cost | 0.93 | 0.73 |
| Past service cost | 2.85 | - |
| Benefits paid | (1.13) | (0.92) |
| | **5.55** | **2.50** |

**(v) Amount recognized in the statement of Other Comprehensive Income**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Actuarial gain/(loss) for the year on planned benefit obligations | (2.81) | 1.44 |
| | **(2.81)** | **1.44** |

**(vi) Principal actuarial assumptions at the reporting date**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Discount rate | 7.33% p.a. | 6.63% p.a. |
| Future salary growth (%) | 5.50% p.a. | 5.50% p.a. |
| Retirement age (years) | 58.00 | 58.00 |
| Expected average remaining working life of employee (years) | 20.66 | 21.36 |

**Note:** These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**(vii) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | 15.79 | 19.10 | 13.21 | 16.18 |
| Future salary growth (1% movement) | 18.98 | 15.86 | 16.12 | 13.24 |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

### (viii) Expected maturity analysis of the defined benefit plans in future years

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Principal actuarial assumptions at the reporting date (expressed as weighted averages): | | |
| 1 year | 0.97 | 0.69 |
| Between 2-5 years | 4.23 | 3.47 |
| Between 6-10 years | 4.30 | 3.35 |
| | **9.50** | **7.51** |

**Note:** The weighted average duration of the defined benefit plan obligations at the end of the reporting period is 5.23 years (31 March 2025 - 5.25 years)

### (ix) Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

| Risk | Description |
|---|---|
| Market risk (interest rate) | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date |
| Longevity risk | The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material |
| Future salary increase risk | Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected |
| Demographic risk | If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the Company and the financials assumptions |
| Regulatory risk | Any changes to the current Regulations by the Government, will increase (in most cases) or decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly |

## 39 Share-based payments

### (a) Description of share-based payment arrangements:

The Company instituted the SMEL Performance Scheme (ESOP 2023) on 25th September 2023 and SMEL Loyalty Scheme on 27th September 2023 which were approved by the Board of Directors and the shareholders of the Company. In accordance to the scheme the company has granted 5,50,698 options to the employees of the company and 5,42,041 options to the employees of its wholly owned subsidiary company, Shyam Sel and Power Limited. The Plan enables grant of stock options to the eligible employees of the Company and its subsidiaries. Further, the stock options to any single employee under the Plan shall not exceed 1% of the issued capital of the Company, at the time of grant of options, during the tenure of the Plan, subject to compliance with applicable law. The options granted under the Plan have a maximum vesting period of 4 years. The cost of options granted to the employees of the Company are recorded in accordance with Ind AS 102 Share-based payments, and is subsequently reimbursed to the Company by its Subsidiary Company.

| Particulars | SMEL performance scheme | | | Scheme II - SMEL loyalty scheme |
|---|---|---|---|---|
| Grant date | 25 September 2023 | 27 September 2023 | 29 August 2025 | 27 September 2023 |
| Vesting conditions | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a three-year period, with 40.0%, 30.0% and 30.0% of the grants vesting in each year, respectively. |
| Number of eligible employees | 62 | 1 | 5 | 5 |
| Average fair value (₹ per option) | 268.18 | 283.67 | 533.6 | 263.38 |
| Exercise price (₹ per option) | 326.00 | 331 | 679.43 | 221.00 |
| Method of valuation | Black-Scholes Model | Black-Scholes Model | Black-Scholes Model | Black-Scholes Model |
| Expected life (years) | 4 | 4 | 4 | 3 |
| Average expected volatility (%) | 48.62% | 47.90% | 33.31% | 26.50% |
| Dividend yield (%) | 0.82% | 0.82% | 0.58% | 0.82% |
| Risk free rate of return (%) | 7.29% | 7.29% | 6.59% | 7.29% |

**Note:** Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

### (b) Reconciliation of outstanding share options

| Particulars | SMEL performance scheme | | Scheme II - SMEL loyalty scheme | | Total Options |
|---|---|---|---|---|---|
| | Number of share options | Weighted average price (₹ per option) | Number of share options | Weighted average (₹ per option) | Number of share options |
| **Year Ended 31 March 2026** | | | | | |
| - **Employees of Shyam Metalics and Energy Limited:** | | | | | |
| Outstanding options at the beginning of the year | 3,82,661 | 268.73 | 72,600 | 263.38 | 4,55,261 |
| Add: Granted during the year | 59,500 | 533.60 | - | - | 59,500 |
| Less: Exercised during the year | 1,500 | - | 36,300 | - | 37,800 |
| Less: Lapsed/forfeited during the year | 1,39,012 | - | - | - | 1,39,012 |
| **Outstanding options at the end of the year** | **3,01,649** | **401.17** | **36,300** | **263.38** | **4,17,461** |
| Options vested and exercisable at the end of the year 31 March 2026 | **1,15,090** | **401.17** | **18,150** | **260.71** | **1,33,240** |
| - **Employees of Shyam Sel and Power Limited:** | | | | | |
| Outstanding options at the beginning of the year | 3,95,883 | 268.18 | 57,000 | 263.38 | 4,52,883 |
| Add: Granted during the year | 45,000 | 533.60 | - | - | 45,000 |
| Less: Exercised during the year | 3,750 | - | 21,600 | - | 25,350 |
| Less: Lapsed/forfeited during the year | 1,05,662 | - | 13,800 | - | 1,19,462 |
| **Outstanding options at the end of the year** | **3,31,471** | **400.89** | **21,600** | **263.38** | **3,53,071** |
| Options vested and exercisable at the end of the year 31 March 2026 | **1,34,774** | **400.89** | **10,800** | **263.38** | **1,45,574** |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | SMEL performance scheme | | Scheme II - SMEL loyalty scheme | | Total Options |
|---|---|---|---|---|---|
| | Number of share options | Weighted average price (₹ per option) | Number of share options | Weighted average (₹ per option) | Number of share options |
| **Year Ended 31 March 2025** | | | | | |
| - **Employees of Shyam Metalics and Energy Limited:** | | | | | |
| Outstanding options at the beginning of the year | 4,29,698 | 275.93 | 1,21,000 | 263.38 | 5,50,698 |
| Add: Granted during the year | - | - | - | - | - |
| Less: Exercised during the year | 47,037 | - | 48,400 | - | 95,437 |
| Less: Lapsed/forfeited during the year | - | - | - | - | - |
| **Outstanding options at the end of the year** | **3,82,661** | **275.93** | **72,600** | **263.38** | **4,55,261** |
| Options vested and exercisable at the end of the year 31 March 2025 | **1,35,355** | **275.93** | **66,550** | **260.71** | **2,01,905** |
| - **Employees of Shyam Sel and Power Limited:** | | | | | |
| Outstanding options at the beginning of the year | 4,47,041 | 268.18 | 95,000 | 263.38 | 5,42,041 |
| Add: Granted during the year | - | | - | - | - |
| Less: Exercised during the year | 51,158 | - | 38,000 | - | 89,158 |
| Less: Lapsed/forfeited during the year | - | - | - | - | - |
| **Outstanding options at the end of the year** | **3,95,883** | **268.18** | **57,000** | **263.38** | **4,52,883** |
| Options vested and exercisable at the end of the year 31 March 2025 | **1,40,818** | **268.18** | **1,18,800** | **263.38** | **2,59,618** |

**(c)** Amount recognised in the Statement of Profit and Loss for the year ended 31 March 2026 amounts to ₹3.16 crores (31 March 2025: ₹4.73 crores) and a receivable towards the stock options issued to the employees of such subsidiary company ₹11.89 crores as on 31 March 2026 (31 March 2025: ₹8.78 crores) pursuant to the amount received from its wholly owned subsidiary company, Shyam Sel and Power Limited

## 40 Commitments and contingent liabilities

### (a) Capital commitments

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 483.27 | 217.13 |
| | **483.27** | **217.13** |

**(b)** As at 31 March 2026 the Company has commitments of ₹281.20 crores (31 March 2025 - ₹53.00 crores) relating to further investments into various alternate investment funds.

### (c) Contingent liabilities

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Claims against the company not acknowledged as debt:** | | |
| - Excise Duty, Service Tax and Goods and service tax | 23.26 | 13.18 |
| - Customs duty | 13.21 | 12.99 |
| - Income tax | 4.80 | 4.99 |
| - Electricity duty (net of protest payment of ₹6.57 crores) | - | 54.17 |
| - Others | - | 1.93 |
| **Other money for which the company is contingently liable:** | | |
| Unredeemed bank guarantees | 67.14 | 46.04 |
| Bills discounted with banks | 10.93 | 16.53 |
| | **119.34** | **149.83** |

**Notes:**

(a) In the ordinary course of business, the Company faces claims and assertions by various authorities. The Management of the Company assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

(b) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect to the above pending resolution of the respective proceedings. The management of the Company remains fairly confident of a favorable outcome and therefore, does not foresee any material financial liability devolving on the Company and accordingly, no provision has been made in these financial statement.

(c) The amounts disclosed above represent the best possible estimates arrived at on the basis of available information.

## 41 Related party disclosures (as per Ind AS 24 - Related Party Disclosures)

### A. List of related parties and their relationship

| Nature of relation | Name of related parties |
|---|---|
| (i) Subsidiary Company | Shyam Sel and Power Limited ('SSPL') |
| (ii) Step-down subsidiary Company | Shyam Energy Limited |
| | Shree Venkateshwara Electrocast Private Limited |
| | Whispering Developers Private Limited |
| | Meadow Housing Private Limited |
| | Nirjhar Commodities Private Limited |
| | Shree Sikhar Iron & Steel Private Limited |
| | S S Natural Resources Private Limited |
| | Shyam Metalics International DMCC |
| | Ramsarup Industries Limited |
| | SMEL Steel Structural Private Limited (w.e.f. 23 August 2024) |
| | Star Metalworks Private Limited (w.e.f. 29 October 2025) |
| (iii) Trust managed by the Company | Shyam Metalics Employee Welfare Trust |
| (iv) Associate Company | Meghana Vyapar Private Limited |
| (v) Joint Venture Company | MJSJ Coal Limited |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Nature of relation | Name of related parties |
|---|---|
| (vi) Key management personnel | Mr. Mahabir Prasad Agarwal (Redesignated Chairman Emeritus w.e.f 09 May 2025) |
| | Mr. Brij Bhushan Agarwal (Redesignated as Chariman & Managing Director w.e.f 10 May 2025) |
| | Mr. Sanjay Kumar Agarwal (Joint Managing Director) |
| | Mr. Dev Kumar Tiwari (Whole Time Director) |
| | Mr. Deepak Agarwal (Whole Time Director and CFO) |
| | Mr. Birendra Kumar Jain (Company Secretary) |
| | Mr. Yudhvir Singh Jain (Independent Director) (upto 24 October 2024) |
| | Mr. Kishan Gopal Baldwa (Independent Director) |
| | Mr. Nand Gopal Khaitan (Independent Director) |
| | Mr. Sheetij Agarwal (Wholetime Director) |
| | Ms. Shashi Kumar (Independent Director) |
| | Mr. Chandra Shekhar Verma (Independent Director) (w.e.f. 4 July 2024) |
| | Mr. Malay Kumar De (Independent Director) (upto 20 May 2025) |
| | Mrs. Rajni Mishra (Independent Director) |
| | Mr. Subrata Bhattacharya (Independent Director) (w.e.f. 01 February 2026) |
| (vii) Enterprises over which Key Management Personnel (KMP) are able to exercise control / significant influence with whom there were transactions/ balance during the year: | Dorite Tracon Private Limited |
| | Sygma Tubes and Pipes Limited |
| | Shyam Solar Appliance Private Limited |
| | Narantak Dealcomm Limited |
| | Shyam Ferro Alloys Limited |
| | Subham Buildwell Private Limited |
| | Toplight Mercantiles Private Limited |
| | Kalpataru Housefin & Trading Private Limited |
| | Subham Capital Private Limited |
| | Brij Bhusan Agarwal & Sons HUF |
| | Shyam Metalics Foundation |
| | Kalinga Energy & Power Limited |
| | Emerge Solar Projects Private Limited (w.e.f 14 August 2025) |
| | Elysian Beautification Private Limited |
| (viii) Relatives of Key Management Personnel: | Mrs. Sumitra Devi Agarwal - Wife of Mr.Mahabir Prasad Agarwal |
| | Mrs. Anita Jhunjhunwala - Daughter of Mr. Mahabir Prasad Agarwal |
| | Mrs. Sangeeta Agarwal - Daughter of Mr. Mahabir Prasad Agarwal |
| | Mrs. Kiran Vimal Agarwal - Daughter of Mr. Mahabir Prasad Agarwal |
| | Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal |
| | Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal |
| | Mr. Subham Agarwal - Son of Mr. Brij Bhushan Agarwal |
| | Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal |
| | Mr. Bajrang Lal Agarwal - Father of Mr. Sanjay Kumar Agarwal |
| | Mrs. Bina Devi Agarwal - Mother of Mr. Sanjay Kumar Agarwal |
| | Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal |
| | Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal |
| | Mrs. Binu Jain wife of Mr. Birendra kumar Jain |

**Notes:** Names of related parties and description of relationship with the Company (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions.



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 41 Related party disclosures (as per Ind AS 24 - Related Party Disclosures) (cont'd)

**Terms and conditions of transactions with related parties:**

The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash. As at 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

| Type of Transactions / Balances | Subsidiary, Associates and Joint Venture entities | | Key Management Personnel and their relatives | | Enterprises over which Key Management Personnel and / or their relatives have significant influence | | TOTAL | |
|---|---|---|---|---|---|---|---|---|
| | For the year ended | | For the year ended | | For the year ended | | For the year ended | |
| | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 |
| **Transactions during the year:** | | | | | | | | |
| Sale of goods | 624.20 | 485.90 | - | - | 3.07 | - | 627.27 | 485.90 |
| Sale of export licenses | 1.31 | - | - | - | - | - | 1.31 | - |
| Sale of plant, property & equipment | 6.07 | - | - | - | - | - | 6.07 | - |
| Amount received for facilitation charges | 42.12 | - | - | - | - | - | 42.12 | - |
| Amount received for cross-charge of employee benefit expense and finance cost | 13.09 | - | - | - | - | - | 13.09 | - |
| Purchase of export licenses | - | 0.53 | - | - | - | - | - | 0.53 |
| Purchase of goods | 455.88 | 318.27 | - | - | 0.01 | - | 455.89 | 318.27 |
| Expenditure on Corporate social responsibility | 6.13 | - | - | - | 1.25 | 6.75 | 7.38 | 6.75 |
| Rent and hire charges | 21.12 | - | - | - | - | - | 21.12 | - |
| Interest income | 0.01 | 8.34 | - | - | - | - | 0.01 | 8.34 |
| Remuneration to key managerial personnel(*) | - | - | 6.50 | 5.18 | - | - | 6.50 | 5.18 |
| Director sitting fees | - | - | 0.19 | 0.22 | - | - | 0.19 | 0.22 |
| Purchase of investment in alternate investment fund and equity shares | 313.16 | 800.00 | - | - | - | - | 313.16 | 800.00 |
| Loans given recovered | - | 597.00 | - | - | - | - | - | 597.00 |
| Advance to employees (given) | - | - | 1.50 | 2.44 | - | - | 1.50 | 2.44 |
| Advance to employees (recovered) | - | - | 0.66 | 0.55 | - | - | 0.66 | 0.55 |
| Advances given | 3,333.24 | 1,828.31 | - | - | 0.97 | 4.57 | 3,334.21 | 1,832.88 |
| Advances recovered | 3,170.30 | 1,819.94 | - | - | 0.04 | 1.29 | 3,170.34 | 1,821.23 |
| Dividend paid | - | - | - | - | 84.34 | 103.06 | 84.34 | 103.06 |
| **Balances as at the end of the year:** | | | - | - | | | | |
| Loans given(incl. accrued interest) | 0.16 | 0.15 | - | - | - | - | 0.16 | 0.15 |
| Receivable from subsidiary against employee stock option plan | 11.89 | 8.78 | | | | | 11.89 | 8.78 |
| Advances Given | - | - | 3.79 | 2.94 | - | - | 3.79 | 2.94 |
| Trade receivables | 894.61 | 726.53 | - | - | 6.50 | 2.99 | 901.12 | 729.52 |

(*) This does not include amounts in respect of gratuity and compensated absences as the same are determined on actuarial basis for the Company as a whole.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 42 Financial instruments – Fair values and risk management

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

| Particulars | Note No. | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **As at 31 March 2026** | | | | | | | | | |
| **Financial Assets** | | | | | | | | | |
| Investment in equity shares | 6 | - | 252.89 | - | 252.89 | - | - | 252.89 | 252.89 |
| Investment in AIF | 6 | 654.39 | - | - | 654.39 | - | - | 654.39 | 654.39 |
| Investment in Bonds/ Debentures/Mutual funds | 6 | 143.53 | - | 257.93 | 401.46 | 143.53 | - | - | 143.53 |
| Investment in government securities | 6 | - | - | 0.07 | 0.07 | - | - | - | - |
| Trade receivables | 12 | - | - | 1,159.89 | 1,159.89 | - | - | - | - |
| Loans | 7 | - | - | 0.13 | 0.13 | - | - | - | - |
| Cash and cash equivalents | 13 | - | - | 13.40 | 13.40 | - | - | - | - |
| Other financial asset | 8 and 15 | - | - | 35.80 | 35.80 | - | - | - | - |
| Other bank balances | 14 | - | - | 0.87 | 0.87 | - | - | - | - |
| | | **797.92** | **252.89** | **1,468.09** | **2,518.90** | **143.53** | **-** | **907.28** | **1,050.81** |
| **Financial Liabilities** | | | | | | | | | |
| Borrowings | 19 | - | - | 231.19 | 231.19 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 73.53 | 73.53 | - | - | - | - |
| Trade payable | 26 | - | - | 1,613.05 | 1,613.05 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 130.87 | 130.87 | - | - | - | - |
| | | **-** | **-** | **2,048.64** | **2,048.64** | **-** | **-** | **-** | **-** |
| **As at 31 March 2025** | | | | | | | | | |
| **Financial Assets** | | | | | | | | | |
| Investment in equity shares | 6 | - | 253.05 | - | 253.05 | - | - | 253.05 | 253.05 |
| Investment in AIF | 6 | 214.84 | - | - | 214.84 | - | - | 214.84 | - |
| Investment in Bonds/ Debentures/Mutual funds | 6 | 262.85 | - | 710.07 | 972.92 | 262.85 | - | - | 262.85 |
| Investment in government securities | 6 | - | - | 0.07 | 0.07 | - | - | - | - |
| Trade receivables | 12 | - | - | 934.39 | 934.39 | - | - | - | - |
| Loans | 7 | - | - | 0.13 | 0.13 | - | - | - | - |
| Cash and cash equivalents | 13 | - | - | 29.19 | 29.19 | - | - | - | - |
| Other financial asset | 8 and 15 | - | - | 30.72 | 30.72 | - | - | - | - |
| Other bank balances | 14 | - | - | 0.98 | 0.98 | - | - | - | - |
| | | **477.69** | **253.05** | **1,705.55** | **2,436.29** | **262.85** | **-** | **467.89** | **515.90** |
| **Financial Liabilities** | | | | | | | | | |
| Borrowings | 19 | - | - | 202.5 | 202.50 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 2.21 | 2.21 | - | - | - | - |
| Trade payable | 26 | - | - | 873.12 | 873.12 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 84.21 | 84.21 | - | - | - | - |
| | | **-** | **-** | **1,162.04** | **1,162.04** | **-** | **-** | **-** | **-** |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

### B. Fair value hierarchy

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing 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 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in Level 3.

### C. Fair value measurements

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorized as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorized as level 2 in the fair value hierarchy.

(iv) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(v) There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2026 and year ended 31 March 2025.

### D. Risk management framework

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk, and
- Market risk

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Variable rate borrowings | 230.00 | 200.74 |
| Fixed rate borrowings | 1.19 | 1.76 |

**Interest rate sensitivity analysis**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | Effect on Profit before tax | |
|---|---|---|
| | Year ended 31 March 2026 | Year ended 31 March 2025 |
| Increase by 50 basis points (31 March 2025: 50 bps) | (1.15) | (1.00) |
| Decrease by 50 basis points (31 March 2025: 50 bps) | 1.15 | 1.00 |

**b) Foreign currency risks**

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

**Hedged Foreign Currency Exposure**

| Nature of Item | Currency | Year ended 31 March 2026 | | Year ended 31 March 2025 | |
|---|---|---|---|---|---|
| | | Value In Foreign Currency | Value In ₹ | Value In Foreign Currency | Value In ₹ |
| **Naturally hedged foreign currency exposure** | | | | | |
| **Financial assets:** | | | | | |
| Trade receivables | USD ($) | 31,49,494 | 29.81 | 17,48,003 | 14.96 |
| **Financial liabilities:** | | | | | |
| Trade payables | USD ($) | 31,49,494 | 29.81 | 17,48,003 | 14.96 |
| **Net exposure in foreign currency** | | - | - | - | - |



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Nature of Item | Currency | Year ended 31 March 2026 | | Year ended 31 March 2025 | |
|---|---|---|---|---|---|
| | | Value In Foreign Currency | Value In ₹ | Value In Foreign Currency | Value In ₹ |
| **Unhedged Foreign Currency Exposure** | | | | | |
| **Financial liabilities:** | | | | | |
| Trade payables | USD ($) | 3,21,91,788 | 304.71 | 2,12,59,922 | 181.77 |
| Trade payables | AED | 3,41,54,064 | 88.01 | - | - |
| Trade payables | CNY (¥) | - | - | 5,279 | 0.01 |
| Capital creditors | EURO (€) | - | - | 3,47,653.00 | 3.21 |
| Capital creditors | USD ($) | 47,23,247 | 44.71 | 22,72,935.00 | 19.41 |
| Interest accrued but not due | USD ($) | 2,30,179 | 2.18 | 3,06,257.39 | 2.63 |
| Interest accrued but not due | AED (€) | 4,99,253 | 1.29 | - | - |
| Interest accrued but not due | EURO (€) | - | - | 14,609.61 | 0.13 |
| **Net exposure in unhedged foreign currency (*)** | | | **440.90** | | **207.16** |

(*) In accordance with the Reserve Bank of India (Unhedged Foreign Currency Exposure) Direction 2022, natural hedge shall mean a hedge arising out of the operations of the company when cashflows offset the risk arising out of the Foreign Currency Exposure (FCE). An exposure shall be considered as a naturally hedged only if the offsetting exposure has a maturity / cashflow within the same accounting year

**Foreign currency sensitivity analysis**

The following table demonstrate the sensitivity to a reasonably possible change in USD, EUR and CNY exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities:

| Particulars | Effect on Profit/(Loss) before tax | |
|---|---|---|
| | Year ended 31 March 2026 | Year ended 31 March 2025 |
| **USD Sensitivity** | | |
| Increase by 5% (31 March 2025 - 5%) | (17.58) | (10.19) |
| Decrease by 5% (31 March 2025 - 5%) | 17.58 | 10.19 |
| **AED Sensitivity** | | |
| Increase by 5% (31 March 2025 - 5%) | (4.47) | - |
| Decrease by 5% (31 March 2025 - 5%) | 4.47 | - |
| **EUR Sensitivity** | | |
| Increase by 5% (31 March 2025 - 5%) | - | (0.17) |
| Decrease by 5% (31 March 2025 - 5%) | - | 0.17 |
| **CNY Sensitivity** | | |
| Increase by 5% (31 March 2025 - 5%) | - | (0.00) |
| Decrease by 5% (31 March 2025 - 5%) | - | 0.00 |

**(B) Credit risk**

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

The carrying value of these specific financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹4,242.10 Crores and ₹4,144.91 Crores as at 31 March 2026 and 31 March 2025 respectively, being the total carrying value of investments, other financial assets, trade receivables, cash and bank balances (including deposits) and loans.

**(i) Trade receivables**

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Company does not hold collateral as security.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amount as illustrated in Note 42.

**(C) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.'The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

| Particulars | Carrying Amount | Up to 1 year | 1 to 2 years | 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| **As at 31 March 2026** | | | | | | |
| Contractual maturities of borrowings | 231.19 | 230.55 | 0.47 | 0.17 | - | 231.19 |
| Contractual maturities of lease obligations | 73.53 | 22.00 | 21.27 | 42.43 | 4.07 | 89.77 |
| Contractual maturities of other financial liabilities | 130.87 | 130.87 | - | - | - | 130.87 |
| Contractual maturities of trade payables | 1,613.05 | 1,613.05 | - | - | - | 1,613.05 |
| **As at 31 March 2025** | | | | | | |
| Contractual maturities of borrowings | 202.50 | 201.30 | 0.56 | 0.64 | - | 202.50 |
| Contractual maturities of lease obligations | 2.21 | 0.95 | 0.88 | 0.28 | 4.13 | 6.24 |
| Contractual maturities of other financial liabilities | 84.21 | 67.06 | 6.91 | 10.24 | - | 84.21 |
| Contractual maturities of trade payables | 873.12 | 873.12 | - | - | - | 873.12 |





## 43 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings and issue of non-convertible debt securities. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

| Particulars | | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| Borrowings (refer note 19) | | 231.19 | 202.50 |
| Lease liabilities (refer note 20) | | 73.53 | 2.21 |
| Trade payables (refer note 26) | | 1,613.05 | 873.12 |
| Less: Cash and cash equivalents (refer note 13) | | (13.40) | (29.19) |
| Less: Current investments [refer note 6(c)] | | (421.06) | (349.31) |
| **Net debt** | **(A)** | **1,483.31** | **699.33** |
| Equity share capital (refer note 17) | | 278.29 | 278.22 |
| Other equity (refer note 18) | | 6,158.16 | 5,708.89 |
| | **(B)** | **6,436.45** | **5,987.11** |
| Capital and net debt | (B) / (A) | 4.34 | 8.56 |
| Gearing ratio | (A) / (A+B) | 18.73% | 10.46% |

**Notes:**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous year.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026 and year ended 31 March 2025.

## 44. Ratios disclosed as per requirement of Schedule III to the Act

| Ratio | Formulae | 31 March 2026 | 31 March 2025 | Variance (%) | Reason for variance |
|---|---|---|---|---|---|
| Current Ratio (in times) | Current assets (i) / Current liabilities(ii) | 1.53 | 1.80 | -15% | Refer note (a) |
| Debt - Equity Ratio (in times) | Total debt (iii) / Shareholder's equity | 0.04 | 0.03 | 6% | Refer note (a) |
| Debt Service Coverage Ratio (in times) | Earning available for debt Service (iv) / Debt Service (v) | 12.64 | 14.41 | -12% | Refer note (a) |
| Return on Equity (in %) | Profit after tax x 100 / Average Shareholder's Equity | 8.90% | 8.48% | 5% | Refer note (a) |
| Inventory Turnover Ratio (in times) | Sales / Average Inventory | 6.34 | 7.78 | -19% | Refer note (a) |
| Trade Receivable Turnover Ratio (in times) | Sales / Average Trade Receivables | 6.65 | 7.01 | -5% | Refer note (a) |
| Trade Payable Turnover Ratio (in times) | Purchases / Average Trade Payables | 4.06 | 4.16 | -2% | Refer note (a) |
| Net Capital Turnover Ratio (in times) | Sales / Working Capital (vi) | 6.43 | 4.46 | 44% | Refer note (b) |
| Net Profit Ratio (in %) | Net Profit / Net Sales | 7.93% | 7.58% | 5% | Refer note (a) |
| Return on Capital Employed (in %) | EBIT (vii) / Capital Employed (viii) | 10.13% | 9.03% | 12% | Refer note (a) |
| Return on Investment (in %) | Time Weighted Rate of Return (TWRR) (ix) | 8.51% | 9.77% | -13% | Refer note (a) |

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

(a) Explanations have been furnished for change in ratio by more than 25% as compared to the preceeding year as stipulated in Schedule III to the Act.

(b) Variance is primarily due to improvement in the overall working capital position as at the year end.

**Definitions:**

(i) Current Assets = Inventories + current investments + trade receivable + cash & cash equivalents + other current assets

(ii) Current Liabilities = Current borrowings + trade payables + other financial liability + current tax liabilities + provisions + other current liability

(iii) Total debt = Non-current borrowings and current borrowings.

(iv) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of property, plant and equipments etc.

(v) Debt service = Interest & lease payments + principal repayments

(vi) Working capital = Current assets - Current liabilities.

(vii) Earning before interest and taxes (EBIT) = Profit before exceptional items and tax + Finance costs - Other Income

(viii) Capital employed = Tangible net-worth (*) + debt + deferred tax liabilities (net)

(*) Net worth means the aggregate of equity share capital and other equity inclusive of net gain consequent to fair valuation of certain assets on transition to Ind AS excluding intangible assets.

(ix) Income from investment= Net gain/loss on sale/fair value changes of Mutual Fund.

## 45 Details of CSR Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Amount required to be spent by the company during the year | 8.73 | 12.02 |
| Amount of expenditure incurred | 9.39 | 10.16 |
| Àmount of CSR expenditure brought forward for set off | 1.74 | 3.60 |
| Shortfall at the end of the year | - | - |
| Total of previous years shortfall (cumulative) | - | - |
| Reason for shortfall | NA | NA |
| Àmount of CSR expenditure carried forward for set off | 2.40 | 1.74 |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | - | - |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision. | NA | NA |

**Nature of CSR activities:**

Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.



NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 46 Segment reporting

**(A)** An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) i.e., Brij Bhushan Agarwal (Vice Chairman & Managing Director) and Mr. Deepak Agarwal (Chief Financial Officer), to make decisions about resources to be allocated to the segments and assess their performance.

The Company is primarily engaged in business of manufacture and sale of Ferro Alloys, Iron & Steel products and power generation. The Company's manufacturing facilities are located in Odisha and products sold in the domestic and overseas market are manufactured in these here. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment, viz., iron and steel.

**(B) Major customer**

No single customer contributed 10% or more of the total revenue of the Company for the year ended 31 March 2026 and 31 March 2025.

## 47 Details related to borrowings secured against current assets

The Company has given current assets as security for borrowings obtained from banks. The Company duly submitted the required information with the banks on regular basis and the required reconciliation is presented below:

| Quarter ended | Particulars | Amount as per books of accounts | Amount as reported in the quarterly return / statement | Amount of difference |
|---|---|---|---|---|
| **For the year ended 31 March 2026: (Refer note below)** | | | | |
| 31 December 2025 | - Trade receivables & Inventories | 2,396.82 | 2,396.82 | - |
| 30 September 2025 | - Trade receivables & Inventories | 2,063.95 | 2,063.95 | - |
| 30 June 2025 | - Trade receivables & Inventories | 2,201.13 | 2,201.13 | - |
| **For the year ended 31 March 2025** | | | | |
| 31 March 2025 | - Trade receivables & Inventories | 1,824.85 | 1,824.85 | - |
| 31 December 2024 | - Trade receivables & Inventories | 1,947.45 | 1,947.45 | - |
| 30 September 2024 | - Trade receivables & Inventories | 1,945.00 | 1,945.00 | - |
| 30 June 2024 | - Trade receivables & Inventories | 2,056.62 | 2,056.62 | - |

**Note:** The management of the Company is in the process of submitting the quarterly statements with the banks for the quarter ended 31 March 2026.

## 48 Relationship with struck-off companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 49 Other statutory information

(a) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

(b) The Company does not hold nay Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given as such.

(c) The Company has not been declared as wilful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.

(d) There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.

(e) The Company does not have any investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.

(f) Borrowings taken by the company have been utilized only for the purpose for which it was obtained.

(g) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.

(h) 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 Company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) 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 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 Company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) The Company has used two accounting softwares for maintaining its books of account during the year ended 31 March 2026.

One of the softwares has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that no audit trail feature was enabled at the database level in respect of an accounting softwares to log any direct data changes. Further, audit trail feature has not been tampered during the year in respect of the accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years. Further the management is unable to determine whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis for the period 01 April 2025 to 31 March 2026 in absence of relevant service organization reports from the third party vendors, for the aforesaid period.

The second accounting software has a feature of recording audit trail (edit log) facility which is managed and maintained by a third-party software service provider. However, in absence of sufficient and appropriate audit evidence i.e adequate coverage in SOC report we are unable to assess whether the same has operated from 01 January 2026 to 31 March 2026 for all relevant transaction recorded in the software or whether there is any instance of audit trail feature being tampered with. Additionally, we are unable to assess whether the audit trail feature of prior year(s) has been preserved by the Company as per the statutory requirements for record retention.

# NOTES TO STANDALONE FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**50** The Government of India had announced the implementation of the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the New Labour Codes) with effect from November 21, 2025. The Ministry of Labour & Employment had issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. On the basis of information available and actuarial valuation, the Company has assessed and accounted the impact of these changes which is not material to the Standalone Financial Statements. The Company continues to monitor the notification of Central/State Rules.

**51** Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current year's figures.

The accompanying notes 1 to 51 are an integral part of these standalone financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# INDEPENDENT AUDITORS' REPORT

To the Members of,
**Shyam Metalics and Energy Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of **Shyam Metalics and Energy Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture entities, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, associates and joint venture entities, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates and joint venture as at March 31, 2026, of consolidated profit (including other comprehensive income),consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture entities entities in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to Note 51 of the Consolidated Financial Statements regarding the Provisional Attachment Order by the Directorate of Enforcement ("ED") issued on one of the Subsidiary on April 15, 2026, under the Prevention of Money Laundering Act, 2002 and the management's position thereof.

Our opinion is not modified in respect of the above matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Sr. No | Key Audit Matters | How the Key Audit Matters was addressed in our audit |
|---|---|---|
| 1 | **Recognition, measurement and presentation of contingent liabilities, other litigations and claims receivable:**<br>(a) Claim receivable under the subsidy scheme:<br>One of the subsidiaries has outstanding Claims receivable from Government of West Bengal under the state's tax subsidy scheme. Outstanding claim receivable as at March 31, 2026 amounts to ₹41.83 crores (gross). In the current year, considering the lapse of time and uncertainty about the timing of the recovery of incentive amount, the subsidiary on a conservative basis has recorded an additional provision for time value of money amounting to ₹1.56 crores determined based on the Expected Credit Loss methodology as per Ind AS 109 'Financial Instruments'.<br>[Refer note 15 to the Consolidated Financial Statements].<br>(b) Assessment of litigations and related disclosure of contingent liabilities (Refer Note 1C (c) to the Consolidated Financial Statements – "Significant accounting judgments, estimates and assumptions - Provisions and contingent liabilities" and Note 40 (c) to the Consolidated Financial Statements "Contingent liabilities") as at March 31, 2026. The Group, in the normal course of business, is contesting various claims and proceedings including matters relating to direct and indirect taxes that arise from time to time. The Group assesses the need to make provision or disclose a contingency on a case-to-case basis considering the underlying facts of each such litigation or dispute. This assessment is significant to our audit, to assess adequacy of disclosure or provision in the books of account. The accounting and disclosure for contingent liabilities is complex & involves judgment in assessing the outcome of the matter and estimating the potential impact if the outcomes are unfavourable, and the amounts involved are, or can be, material to the Consolidated Financial Statements. Considering the amounts which can be material and involves significant management judgement and estimation, we have identified this as a key audit matter. | Our audit procedures in respect of this matter included but not limited to the following:<br>• We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Group's controls over the recording and re-assessment of uncertain legal positions, litigations and contingent liabilities, and on accounting for subsidy claims and measurement of expected credit loss on such claims receivable.<br>• We obtained an understanding of the nature of litigations pending against the Group by reading the minutes of the Board of Directors meetings and discussing the developments during the year for key litigations with Senior Management personnel.<br>• Verified the completeness of the litigations and claims by examining, on a sample basis, the legal and professional expenses incurred during the year.<br>• We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations disclosed in the Consolidated Financial Statements;<br>• Evaluated management's assessment of determination of provision for time value of money determined on the basis of expected credit loss methodology, evaluated the reasonableness of expected credit loss amount and assessed whether the requirements of applicable accounting principles have been complied.<br>• Discussed with the Management their evaluation for the basis of recognition of incentives receivable and the basis for recognizing expected credit loss towards the claim receivable in the Consolidated Financial Statements.<br>• Evaluated the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the assumptions and estimates, used in measuring the probable or possible impact.<br>• Involved our internal tax experts to challenge the Management judgement and rationale with respect to tax provisions not made in the books of account or disclosed as contingent liability or cases where outflow of resources is remote and do not warrant any disclosure.<br>• We also obtained independent legal confirmations for significant matters from the legal counsels or law firms handling such matters to corroborate management's conclusions.<br>• Evaluated appropriateness and adequacy of the disclosures of the contingent liability made in the Consolidated Financial Statements in accordance with the requirements of Ind AS 37 - 'Provisions, Contingent Liabilities and Contingent Asset' and Ind AS 12 - 'Income Taxes'. |

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, Management Discussion and Analysis and report on corporate governance but does not include the Consolidated Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting, Management Discussion and Analysis and report on corporate governance, which is expected to be made available to us after that date.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's Report, Chairman's Statement, Management Discussion and Analysis and report on corporate governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions applicable in the applicable laws and regulations.

## Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, its associates and joint venture entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies and the Trustees of Shyam Metalics Employees Welfare Trust ("ESOP Trust") included in the Group and of its associates and joint venture entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies and the Trustees of the ESOP Trust included in the Group and of its associates and joint venture entities are responsible for assessing the ability of the Group and of its associates and joint venture entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors/Trustees of the ESOP Trust either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture entities and the Trustees of the ESOP Trust are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in **"Annexure A"** a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

## Other Matters

a. We did not audit the financial statements of ten (10) subsidiaries, whose financial statements reflect total assets of ₹742.77 crores as at March 31, 2026, total revenues of ₹2.49 crores, net loss (including other comprehensive income) of ₹5.47 crores and net cash inflow amounting to ₹0.19 crores for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b. We did not audit the financial statements of two (2) associates and one (1) joint venture entity, whose financial statements reflect Group's share of net loss (including other comprehensive income) of ₹(0.20) crores for the year ended March 31, 2026, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these associates and joint venture entity and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates and joint venture entity is based solely on the reports of the other auditors.

c. One of these subsidiaries is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

These conversion adjustments have not been audited. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company. According to the information and explanations given to us by the management of the Holding Company, these financial statements are not material to the Group.

d. The Consolidated Financial Statements also include the Group's share of net profit (including other comprehensive income) of ₹0.00 crores for the year ended March 31, 2026, as considered in the Consolidated Financial Statements, in respect of one (1) associate and one (1) joint venture entity, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate and joint venture entity and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate and joint venture entity, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, associates and joint venture entities referred to in the Other Matters section above, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except for the matters stated in the paragraph 1 (h) (vi) below on reporting under Rule 11 (g) and except that:

   (i) In the absence of sufficient appropriate audit evidence in respect of the Holding Company and five (5) of its subsidiaries we are unable to comment whether back-up of the books of account and other books and papers maintained in electronic mode, have been kept in servers physically located in India on a daily basis for the period 01 January 2026 to 31 March 2026.

   (ii) Back-up of the books of account and other books and papers maintained in electronic mode by six (6) subsidiaries, three (3) associates and two (2) joint venture entities have not been maintained.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture entities incorporated in India, none of the directors of the Group companies, its associate companies and joint venture entities incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group, its associate companies and joint venture entites incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(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 and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the subsidiaries, associates and joint venture entities referred to in the Other Matters section above:

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture entities – Refer Note 40(c) to the Consolidated Financial Statements.

ii. The Group, its associates and joint venture entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture entities incorporated in India during the year ended March 31, 2026.

iv. A. The respective Managements of the Holding Company and its subsidiaries, associates and joint venture entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture entities respectively that, to the best of their knowledge and belief, as disclosed in the note X to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates and joint venture entities to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint venture entities ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B. The respective Managements of the Holding Company and its subsidiaries, associates and joint venture entities which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture entities respectively that, to the best of their knowledge and belief, as disclosed in the note 49(i) to Consolidated Financial Statements, no funds have been received by the Holding Company or any of such subsidiaries, associates and joint venture entities from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates and joint venture entities shall, 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 performed by us and that performed by the auditors of the subsidiaries, associates and joint venture entities which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. Based on our examination and based on the other auditor's reports of subsidiary companies, associate companies and joint venture entities incorporated in India whose financial statements have been audited under the Act:

(a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend

(b) The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report are in accordance with section 123 of the Act.

(c) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared are in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Refer Note 17(j) to the Consolidated Financial Statements.

vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies, associate Companies and joint venture entities incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company, it subsidiary Companies, associates Companies and joint venture entities incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended March 31, 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, and further, during the course of audit we and the other auditors of above referred subsidiaries, associates and joint venture entities did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Holding Company and above referred subsidiaries, associates and joint venture entities as per the statutory requirements for record retention.

| | |
|---|---|
| No audit trail feature was enabled at the database level in respect of one of the accounting software to log any direct data changes | In respect of the Holding Company and five (5) subsidiary Companies |
| In case of one another accounting software in the absence of sufficient and appropriate audit evidence, i.e., adequate coverage in SOC report we are unable to comment whether the same has operated from January 01, 2026 to March 31, 2026 for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with. | Holding Company and three (3) of the subsidiary Companies |
| No audit trail feature was enabled at the database level in respect of one of the accounting software to log any direct data changes | Five (5) subsidiary Companies, two (2) associates and one (1) joint venture entity. |
| Instances of non-preservation of the audit trail | One (1) subsidiary Company, one (1) associate and one (1) joint venture entity. |

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports

of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and one its subsidiary to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements except for the following:

| Sr. No. | Name of the Company | CIN | Type of Company (Holding /Subsidiary/ Associate) | Clause number of the CARO Report which is qualified or Adverse |
|---|---|---|---|---|
| 1. | Shyam Metalics and Energy Limited | L40101WB2002PLC095491 | Holding | 3 (i) (c), 3 (vii) (a |
| 2. | Shyam Sel and Power Limited | U27109WB1991PLC052962 | Subsidiary | 3 (i) (c), 3 (vii) (a) |
| 3. | Shyam Energy Limited | U40102WB2002PLC094303 | Subsidiary | 3 (xvii) |
| 4. | Ramsarup Industries Limited | U65993WB1979PLC032113 | Subsidiary | 3 (i) (c), 3 (vi), 3 (vii) (a) |
| 5. | S.S. Natural Resources Private Limited | U10300WB2015PTC204962 | Subsidiary | 3 (xvii) |
| 6. | Meadow Housing Private Limited | U45400WB2010PTC155991 | Subsidiary | 3 (xvii) |
| 7. | Nirjhar Commercials Private Limited | U10100WB2014PTC201404 | Subsidiary | 3 (xvii) |
| 8. | Whispering Developers Private Limited | U27320WB2022PTC256530 | Subsidiary | 3 (xvii) |
| 9. | Shree Sikhar Iron & Steel Private Limited | U45400WB2010PTC155993 | Subsidiary | 3 (xvii) |
| 10. | SMEL Steel Structural Private Limited | U24109WB2023PTC260855 | Subsidiary | 3 (xvii) |
| 11. | Star Metalworks Private Limited | U27320WB2022PTC255798 | Subsidiary | 3 (xvii) |
| 12. | Kolhan Complex Private Limited | U70102WB2008PTC126636 | Associate | 3 (xvii) |
| 13. | Kalinga Energy & Power Limited | U401050OR2007PLC009567 | Joint venture entity | 3 (xvii) |

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682SKSINE2201

Place: Kolkata
Date: May 11, 2026

# ANNEXURE A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Shyam Metalics and Energy Limited

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682SKSINE2201

Place: Kolkata
Date: May 11, 2026

# ANNEXURE B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Shyam Metalics and Energy Limited

Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Shyam Metalics and Energy Limited on the Consolidated Financial Statements for the year ended March 31, 2026.

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

## Opinion

In conjunction with our audit of the consolidated financial statements of the Shyam Metalics and Energy Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and joint venture entities, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group, its associate companies and joint venture entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

## Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group, its associate companies and joint venture entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, its associate companies and joint venture entities, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group, its associate companies and joint venture entities, which are companies incorporated in India.

## Meaning of Internal Financial Controls with Reference to Financial Statements

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

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

## Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to eight(8) subsidiary companies, two (2) associate companies and one (1) joint venture entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India, but does not include one subsidiary and one foreign subsidiary, as the reporting on Internal Financial Control is not applicable to these entities. Further, it also does not include one (1) associate company and one (1) joint venture entity whose financial statements are unaudited and have been furnished to us by the Management.

Our opinion is not modified in respect of this matter.

For **M S K A & Associates LLP**
(formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

**Dipak Jaiswal**
Partner
Membership No.: 063682
UDIN: 26063682SKSINE2201

Place: Kolkata
Date: May 11, 2026

# CONSOLIDATED BALANCE SHEET

as at 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Note No. | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| a) Property, plant and equipment | 2 | 7,968.68 | 6,196.69 |
| b) Right-of-use assets | 3 | 106.47 | 71.42 |
| c) Capital work-in-progress | 4 | 2,791.94 | 2,708.41 |
| d) Other Intangible Assets | 5 | 58.86 | 88.57 |
| e) Financial assets | | | |
| i) Investments | 6 (a) &(b) | 1,156.11 | 1,293.53 |
| ii) Other financial assets | 7 | 50.40 | 23.62 |
| f) Non-current tax assets | 8 | 170.57 | 167.10 |
| g) Other non-current assets | 9 | 501.91 | 236.26 |
| **Total Non-current Assets (A)** | | **12,804.94** | **10,785.60** |
| **Current Assets** | | | |
| a) Inventories | 10 | 4,501.45 | 2,985.44 |
| b) Financial assets | | | |
| i) Investments | 6(c) | 426.00 | 824.44 |
| ii) Trade receivables | 11 | 904.59 | 792.51 |
| iii) Cash and cash equivalents | 12 | 97.12 | 63.13 |
| iv) Bank balance other than cash and cash equivalent | 13 | 8.54 | 5.12 |
| v) Loans | 14 | 3.66 | 3.69 |
| vi) Other financial assets | 15 | 45.25 | 50.28 |
| c) Other current assets | 16 | 1,269.29 | 805.42 |
| **Total Current Assets (B)** | | **7,255.90** | **5,530.03** |
| **Total Assets (A + B)** | | **20,060.84** | **16,315.63** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a) Equity share capital | 17 | 278.29 | 278.22 |
| b) Other equity | 18 | 11,244.52 | 10,275.11 |
| **Total Equity (A)** | | **11,522.81** | **10,553.33** |
| **Non-Controlling Interest (B)** | | **834.37** | **724.75** |
| **Liabilities** | | | |
| **Non-Current Liabilities** | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19A | 97.04 | 155.21 |
| ii) Lease Liabilities | 20A | 20.57 | 8.37 |
| iii) Other financial liabilities | 21A | 120.01 | 84.97 |
| b) Provisions | 22A | 37.72 | 31.11 |
| c) Deferred tax liabilities (net) | 23 | 148.54 | 153.25 |
| d) Other non current liabilities | 24A | 0.15 | 0.19 |
| **Total Non Current Liabilities (C)** | | **424.03** | **433.10** |
| **Current Liabilities** | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19B | 884.28 | 624.25 |
| ii) Lease liabilities | 20B | 3.18 | 1.60 |
| iii) Trade payables | 25 | | |
| - Total outstanding due of micro enterprise and small enterprise | | 36.61 | 1.22 |
| - Total outstanding dues of other than micro enterprise and small enterprise | | 4,828.48 | 2,916.02 |
| iv) Other financial liabilities | 21B | 1,018.45 | 681.88 |
| b) Other current liabilities | 24B | 374.17 | 328.95 |
| c) Provisions | 22B | 16.01 | 12.16 |
| d) Current tax liabilities (net) | 26 | 118.45 | 38.37 |
| **Total Current Liabilities (D)** | | **7,279.63** | **4,604.45** |
| **Total Equity and Liabilities (A + B + C + D)** | | **20,060.84** | **16,315.63** |
| Summary of material accounting policies and other explanatory information | 1 | | |

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| | Particulars | Note No. | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|---|---|---|---|
| | **INCOME** | | | |
| I | Revenue from operations | 27 | 18,552.21 | 15,158.63 |
| II | Other income | 28 | 203.61 | 230.63 |
| **III** | **Total Income (I+II)** | | **18,755.82** | **15,389.26** |
| **IV** | **EXPENSES** | | | |
| | Cost of materials consumed | 29 | 13,680.15 | 11,336.72 |
| | Purchases of stock-in-trade | | 146.18 | 5.88 |
| | Changes in inventories of finished goods, stock in trade and by-products | 30 | (473.75) | (401.12) |
| | Employee benefits expense | 31 | 506.98 | 434.26 |
| | Finance costs | 32 | 192.23 | 143.92 |
| | Depreciation and amortization expense | 33 | 882.15 | 711.17 |
| | Impairment loss on financial assets | 34 | 7.03 | 2.60 |
| | Other expenses | 35 | 2,352.58 | 1,914.76 |
| | **Total Expenses (IV)** | | **17,293.55** | **14,148.19** |
| **V** | **Share in profit of joint ventures and associates** | | 0.10 | 0.12 |
| **VI** | **Profit/(loss) before exceptional items and tax (III-IV+V)** | | **1,462.37** | **1,241.19** |
| **VII** | **Tax expense:** | 36 | | |
| | (i) Current tax (including prior year taxes) | | 407.92 | 237.43 |
| | (ii) Deferred tax | | (5.72) | 94.50 |
| **VIII** | **Profit for the year (VI-VII)** | | **1,060.17** | **909.26** |
| **IX** | **Other comprehensive income** | | | |
| | (a) Items that will not be reclassified to profit or loss: | | | |
| | (i) Remeasurements gains/(loss) of post-employment benefit obligation | | 6.31 | (3.60) |
| | (ii) Fair value changes to investments in equity instruments | | (3.66) | 133.16 |
| | (iii) Income tax relating to items that will not be reclassified to profit or loss | | (1.01) | (0.28) |
| | (iv) Share of OCI in joint ventures and associates | | (0.30) | 1.60 |
| | **Other comprehensive income for the year** | | **1.34** | **130.88** |
| **X** | **Total comprehensive income for the year, net of tax** | | **1,061.51** | **1,040.14** |
| **XI** | **Profit/(loss) for the year attributable to:** | | | |
| | Non-controlling interest | | (10.07) | 1.16 |
| | Owners of the Holding Company | | 1,070.24 | 908.10 |
| **XII** | **Other comprehensive income for the year attributable to:** | | | |
| | Non-controlling interest | | (0.31) | 9.76 |
| | Owners of the Holding Company | | 1.65 | 121.12 |
| **XIII** | **Total comprehensive income for the year attributable to:** | | | |
| | Non-controlling interest | | (10.38) | 10.92 |
| | Owners of the Holding Company | | 1,071.89 | 1,029.22 |
| **XIV** | **Earnings per equity share (Face value of ₹10 each)** | 37 | | |
| | (i) Basic (₹) | | 38.10 | 32.70 |
| | (ii) Diluted (₹) | | 37.97 | 32.57 |
| | Summary of material accounting policies and other explanatory information | 1 | | |

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES:** | | |
| Net Profit Before Tax | 1,462.37 | 1,241.19 |
| **Adjustments for:** | | |
| Depreciation and amortization expense | 882.15 | 711.17 |
| Provision for employee benefit obligations | 17.02 | 9.29 |
| Provision for slow and non-moving items | 0.18 | 1.65 |
| Share based payment to employees | 6.27 | 14.76 |
| Dividend income | (3.03) | (0.86) |
| Share in profit/(loss) of joint ventures and associates | (0.10) | (0.12) |
| Loss / (Gain) on Mark-to-market of forward contracts | 16.53 | (2.55) |
| Gain on fair value of financial instruments carried at fair value through profit or loss | (56.44) | (92.80) |
| Impairment loss on financial assets | 7.03 | 2.60 |
| Unrealised foreign exchange fluctuations | 116.16 | (10.11) |
| Loss on sale of property, plant and equipment | 0.16 | - |
| Interest income on financial assets carried at amortised cost | (104.25) | (125.36) |
| Finance cost | 192.23 | 143.92 |
| Bad debt written off | 4.07 | 1.71 |
| Sundry balances written back | (20.82) | |
| **Operating profit before working capital changes** | **2,519.53** | **1,894.49** |
| **Adjustments for changes in working capital:** | | |
| **Increase / (decrease) in liabilities:** | | |
| Trade payables | 1,844.59 | 560.43 |
| Financial liabilities (Non-current) | 35.04 | 42.04 |
| Financial liabilities (current) | 11.14 | 7.03 |
| Provisions (Non-current) | (4.10) | (2.86) |
| Provisions (Current) | 3.85 | 2.15 |
| Other liabilities | 45.18 | 88.70 |
| **(Increase) / decrease in assets:** | | |
| Trade receivables | (95.79) | (82.88) |
| Inventories | (1,516.19) | (819.19) |
| Financial assets (non-current) | (27.37) | (0.44) |
| Financial assets (current) | 1.51 | 19.05 |
| Other assets (Non-current) | 1.37 | 4.48 |
| Other assets (Current) | (463.87) | 33.67 |
| **Cash flow from operating activities before tax** | **2,354.89** | **1,746.67** |
| Income taxes paid (net) | (331.33) | (33.24) |
| **Net cash flow generated from operating activities (A)** | **2,023.56** | **1,713.43** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES:** | | |
| Payment for purchase of property, plant & equipment including capital work-in-progress (net) | (2,637.24) | (2,148.32) |
| Sale proceeds of investments (net) | 591.79 | 371.58 |
| Investments made in fixed deposits with banks | (2.83) | (0.97) |
| Payment made pursuant to acquisition of entity | (0.25) | - |
| Dividends received | 3.03 | 0.86 |
| Loans and advances recovered | 0.03 | 0.86 |
| Interest received on financial assets carried at amortised cost | 106.21 | 122.26 |
| **Net cash used in investing activities (B)** | **(1,939.26)** | **(1,653.73)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES:** | | |
| Repayment of non-current borrowings | (72.43) | (116.09) |
| Proceeds from current borrowings (net) | 256.38 | 305.58 |
| Proceeds from exercise of employee stock options | 1.29 | 5.28 |
| Repayment of lease liabilities | (53.58) | (1.61) |
| Proceeds from issue of securities to non-controlling Interest | 120.00 | 42.50 |
| Dividends paid | (112.47) | (137.88) |
| Finance cost paid | (189.50) | (133.77) |
| **Net cash used in investing activities (C)** | **(50.31)** | **(35.99)** |
| **Net increase in cash and cash equivalents (A+B+C)** | **33.99** | **23.71** |
| Cash and cash equivalents at the beginning of the year (refer note 12) | 63.13 | 39.42 |
| **Cash and cash equivalents at the end of the year (refer note 12)** | **97.12** | **63.13** |



CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

**Notes:**

i) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".

ii) Purchase of Property plant & equipment (net) includes capital work-in-progress, capital advances and creditors for capital goods.

iii) Reconciliation of cash and cash equivalents as per the cash flow statement:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance with banks | 49.76 | 61.09 |
| Cash on hand | 0.94 | 2.04 |
| Cheques, drafts on hand | 46.42 | - |
| **Total** | **97.12** | **63.13** |

iv) Reconciliation of movement of liabilities to cash flow arising from financing activities:

Movement in borrowings:

| Particulars- Reconciliation between opening & closing balances of borrowings | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Opening balance | 779.46 | 587.44 |
| Proceeds during the year | 256.38 | 305.58 |
| Repayments made during the year | (72.43) | (116.09) |
| Non-cash movements | 17.91 | 2.53 |
| **Closing balance** | **981.32** | **779.46** |

Movement in lease liability:

| Particulars- Reconciliation between opening & closing balances of lease liability | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Opening balance | 9.97 | 9.47 |
| Repayments made during the year | (53.58) | (1.61) |
| Non-cash movements | 67.36 | 2.11 |
| **Closing balance** | **23.75** | **9.97** |

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

## A. Equity Share Capital

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | No. of Shares | Amount | No. of Shares | Amount |
| **Equity shares of ₹10 each issued, subscribed and fully paid** | | | | |
| Balance at the beginning of the year | 27,82,23,162 | 278.22 | 27,80,38,567 | 278.04 |
| Add: Adjustment for employee stock options exercised during the year (Refer note 39) | 63,150 | 0.07 | 1,84,595 | 0.18 |
| **Balance at the end of the year** | **27,82,86,312** | **278.29** | **27,82,23,162** | **278.22** |

## B. Other Equity (*)

| Particulars | Reserves and surplus | | | | | Other reserves | | | Total Attributable to Owners of the parent | Attributable to non-controlling Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Retained Earnings | Securities Premium | Other Reserve | ESOP trust Reserve | Share options outstanding account | Equity instruments through other comprehensive income | Remeasurement of net defined benefit plans | | | |
| **Balance at 1 April 2025** | **1,023.22** | **6,840.42** | **2,139.58** | **4.45** | **(37.94)** | **12.76** | **292.62** | **-** | **10,275.11** | **724.75** | **10,999.86** |
| Profit for the year | - | 1,070.24 | - | - | - | - | - | - | 1,070.24 | (10.07) | 1,060.17 |
| Proceeds from exercise of employee stock options (Refer note 39) | - | - | - | - | 2.44 | 4.71 | - | - | 7.15 | - | 7.15 |
| Adjustment for employee stock options lapsed during the year | - | 2.73 | | | (2.73) | - | - | - | - | | - |
| Adjustment for employee stock options exercised during the year | | 0.35 | | | | | | | 0.35 | | 0.35 |
| Issue of non-convertible debentures to non-controlling interests | - | - | - | - | - | - | - | - | - | 120.00 | 120.00 |
| Gain from investments in equity instruments designated at fair value through other comprehensive income (net of tax) | - | - | - | - | - | - | 3.08 | - | 3.08 | - | 3.08 |
| Other comprehensive income | - | - | - | - | - | - | (3.66) | 6.31 | 2.65 | (0.31) | 2.34 |
| Income tax effect on OCI | - | - | - | - | - | - | 0.61 | (1.62) | (1.01) | - | (1.01) |
| Dividends Paid (refer note 17 (j)) | - | (113.05) | - | - | - | - | - | - | (113.05) | - | (113.05) |
| Transfers within equity | - | 7.77 | - | - | - | - | (3.08) | (4.69) | - | - | - |
| **Balance at 31 March 2026** | **1,023.22** | **7,808.46** | **2,139.58** | **4.45** | **(38.23)** | **17.47** | **289.57** | **-** | **11,244.52** | **834.37** | **12,078.89** |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2026
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Reserves and surplus | | | | | Other reserves | | | Total Attributable to Owners of the parent | Attributable to non-controlling Interest | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Retained Earnings | Securities Premium | Other Reserve | ESOP trust Reserve | Share options outstanding account | Equity instruments through other comprehensive income | Remeasurement of net defined benefit plans | | | |
| **Balance at 1 April 2024** | **1,023.22** | **6,071.94** | **2,139.58** | **4.45** | **(45.92)** | **7.40** | **167.96** | **-** | **9,368.63** | **671.33** | **10,039.96** |
| Profit for the year | - | 908.10 | - | - | - | - | - | - | 908.10 | 1.16 | 909.26 |
| Proceeds from exercise of employee stock options (Refer note 40) | - | - | - | - | 7.98 | 5.36 | - | - | 13.34 | - | 13.34 |
| Issue of non-convertible debentures to non-controlling interests | - | - | - | - | - | - | - | - | - | 42.50 | 42.50 |
| Share-based payment to employees | - | 2.15 | - | - | - | - | - | - | 2.15 | - | 2.15 |
| Other comprehensive income | - | - | - | - | - | - | 123.30 | (3.60) | 119.70 | 11.40 | 131.10 |
| Income tax effect on OCI | - | - | - | - | - | - | 1.36 | - | 1.36 | - | 1.36 |
| Dividends Paid (refer note 17 (j)) | - | (138.17) | - | - | - | - | - | - | (138.17) | (1.64) | (139.81) |
| Transfers within equity | - | (3.60) | - | - | - | - | - | 3.60 | - | - | - |
| **Balance at 31 March 2025** | **1,023.22** | **6,840.42** | **2,139.58** | **4.45** | **(37.94)** | **12.76** | **292.62** | **-** | **10,275.11** | **724.75** | **10,999.86** |

(*) Refer note 18 for description of the nature and purpose of each reserve within Other equity.

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 1A Corporate Information

Shyam Metalics and Energy Limited (the "Holding Company") is a public limited group domiciled in India and was incorporated in 2002 under the provisions of the Companies Act, 1956. Its registered and principal office of business is located at Kolkata, West Bengal. The Holding Company and its subsidiaries (collectively referred to as 'the Group') along with its associates and joint venture entities are primarily engaged in the business of manufacturing iron and steel.

The Board of Directors approved and authorised for issue, the consolidated financial statements for the year ended 31 March 2026 on 11 May 2026.

## 1B Material accounting policies

### (a) Basis of preparation of consolidated Financial Statements

#### (i) Basis of preparation, measurement and statement of Compliance with Ind AS

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

These consolidated financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

#### (ii) Classification between current and non-current

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### (iii) Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from these estimates.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

### (b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the group and its subsidiaries as at 31 March 2024.

#### (i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Holding Company has control. The Holding Company controls an entity where it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Holding Company. They are de-consolidated from the date that control ceases.

Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Holding Company controls an investee if and only if the Holding Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Holding Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Holding Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Holding Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Holding Company gains control until the date the Holding Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Holding Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Holding Company member's financial statements in preparing the consolidated financial statements to ensure conformity with the Holding Company's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Holding Company, i.e., year ended on 31 March 2026. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. InterHolding Company transactions, balances and unrealised gains on transactions between Holding Company companies are eliminated.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Holding Company.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Balance Sheet, Statement of Profit and Loss, and Statement of Changes in Equity respectively.

**(ii) Associates**

Associates are all entities over which the Holding Company has significant influence but not control or joint control. This is generally the case where the Holding Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

**(iii) Joint venture entities**

Under Ind AS 111, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Holding Company has primarily has investments in joint ventures entities, which are accounted for using the equity method, as stated below, after initially being recognised at cost in the consolidated financial statements.

**(iv) Equity method of accounting**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint venture entities are recognised as a reduction in the carrying amount of the investment. Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described below.

**(v) Changes in ownership interests**

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(c) Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

**Depreciation methods, estimated useful lives**

The Group depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

| Property, plant and equipment | Useful Life |
|---|---|
| Leasehold improvement (*) | Over the contractual lease term |
| Buildings | 5 years to 60 years |
| Plant and Equipment | 5 years to 40 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 8 years to 20 years |
| Office Equipment | 3 years to 10 years |

(*)Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

The residual values are not more than 5% of the original cost of the asset.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

**(d) Other Intangible Assets**

Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Group. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives.

| Intangible assets | Useful life |
|---|---|
| Computer software | 3 years- 5 Years |
| Technology | 5 years |

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are not amortised. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

**(e) Trade and other payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**(f) Foreign Currency Transactions**

**(i) Functional and presentation currency**

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(ii) Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## (g) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The group's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## (h) Revenue from contract with customer

The Group manufactures and sells a range of iron & steel and other ferro alloy products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

The Group has objective evidence that all criterion for acceptance has been satisfied.

### (i) Sale of goods

The majority of the Group's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are either dispatched or delivered to the customer, depending on the terms of the contract. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

**Variable consideration:**

The Group recognizes revenue from the sale of goods measured at the transaction price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Goods are often sold with volume and price discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume and price discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 30-90 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**Sales Return:**

The Group accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale.

### (ii) Sale of Services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

### (iii) Other Operating Revenue

**Export Benefit**

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, remission of duties and taxes on export products are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

### (iv) Other income

**Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

**Dividend Income**

Dividend income is recorded when the right to receive payment is established.

### (v) Contract Balances

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Group's right to an amount of consideration that is unconditional.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Contract liability**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

**Trade Receivable**

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Revenue is measured at the fair value of the consideration received or receivable.

Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

## (i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Monetary Government grants, whose primary condition is that the Group should purchase, construct or otherwise acquire non current assets and are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

## (j) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

### (i) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year/period end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### (ii) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## (k) Business combination

Business Combination has been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.

## (l) Leases

**The Group as a lessee**

The Group's lease asset classes primarily consist of leases for long-term period. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option"

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## (m) Inventories

**Basis of Valuation**

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. 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. The comparison

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

of cost and net realizable value is made on an item-by-item basis.

**Method of Valuation:**

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and taxes as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis. Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Valuation of finished goods and traded goods are valued at cost or net realizable value whichever is less. 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.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

## (n) Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## (o) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## (p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

## (q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## (r) Financial assets

### (I) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

### (II) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortized 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 amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

**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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

**Equity instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### (III) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Group applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as impairment gain/loss on financial assets in the Statement of Profit and Loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the group does not reduce impairment allowance from the gross carrying amount.

#### (IV) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

### (ii) Financial liabilities

#### (I) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

#### (II) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

**Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**Borrowing Cost:** Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### (III) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

### (iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## (s) Employee Benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

**(I) Defined contribution plan**

**Provident Fund:** Contribution towards provident fund is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

**Employee's State Insurance Scheme:** Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

**(II) Defined benefit plans**

**Gratuity**

The Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan"") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary.

The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Compensated absences**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise. Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

**(iii) Share-based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The holding company has established an Employee Stock Option Plan, SMEL Performance Scheme (ESOP 2023) on 25 September 2023 and SMEL Loyalty Scheme on 25 September 2023, which extends to the employees of subsidiary company namely Shyam Sel and Power Limited ('SSPL'). The ESOP is administered by the 'Shyam Metalics Employee Welfare Trust. In accordance with the guidance provided under Ind AS 102 – Share-based Payment, the fair value of the stock options granted to employees of the wholly owned subsidiary Company is recognized as an increase in the share option outstanding account over the vesting period, with a corresponding increase in financial asset. The expense is recognized based on the fair value of the options at the grant date."

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**(t) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**(u) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the Summary Statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

i. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.

ii. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.

iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.

iv. Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.

v. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

vi. Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

**(v)** All amounts disclosed in consolidated financial statements and notes have been rounded off as per requirement of Schedule III of the Act, unless otherwise stated.

## 1C Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**(a) Useful lives of property, plant and equipment, right-of-use assets and intangible assets**

The Group reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

**(b) Deferred tax assets**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(c) Provisions and contingent liabilities**

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the consolidated financial statements.

**(d) Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(e) Fair value measurements of financial instruments**

When the fair value 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 Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(f) Defined benefit plans (gratuity benefits and compensated absences)**

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 39.

## 1D New Standards, Interpretations and Amendments Adopted by the Group

The Ministry of Corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively. These amendments are effective for annual reporting periods beginning on or after 1 April 2025.

**(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:**

The amendments to Ind AS 7, Statement of Cash Flows, and Ind AS 107, Financial Instruments: Disclosures, clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of the Consolidated Financial Statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement (refer to note 25)

**(b) Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:**

The amendments to Ind AS 1, Presentation of Consolidated Financial Statements, specify the requirements for classifying liabilities as current or non-current in the balance sheet and clarify the following:

(i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is not affected by the likelihood that the entity will exercise its right to defer settlement.

(ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenants on or before the end of the reporting period.

(iii) For a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current, provided that the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the Consolidated Financial Statements of the Group. The Group did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

**(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms:**

The Group is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Group operates.

**(d) Amendment to Ind AS 21-Lack of exchangeability**

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the consolidated financial statements of the Group.

**New standards and amendments notified but not effective**

Amendment to Ind AS 1 - Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

c) Disclose information about the timing of settlement to understand the impact of the liability on the consolidated financial statements.

The Group does not expect these amendments to have any material impact on its operations or consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 2 Property, Plant and Equipment

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Depreciation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Freehold Land | 355.29 | 20.62 | - | 375.91 | 0.03 | - | - | 0.03 | 375.88 |
| Buildings | 1,752.92 | 361.57 | - | 2,114.49 | 476.19 | 123.95 | - | 600.14 | 1,514.35 |
| Plant and Equipment | 8,000.44 | 2,238.45 | 6.17 | 10,232.72 | 3,449.20 | 717.54 | - | 4,166.74 | 6,065.98 |
| Furniture and Fixtures | 4.74 | - | - | 4.74 | 3.62 | 0.18 | - | 3.80 | 0.94 |
| Vehicles | 17.55 | 2.22 | 1.07 | 18.70 | 9.47 | 2.10 | - | 11.57 | 7.13 |
| Office Equipment | 17.56 | 3.03 | - | 20.59 | 13.30 | 2.89 | - | 16.19 | 4.40 |
| **Total** | **10,148.50** | **2,625.89** | **7.24** | **12,767.15** | **3,951.81** | **846.66** | **-** | **4,798.47** | **7,968.68** |

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Depreciation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Freehold Land | 309.00 | 46.42 | 0.13 | 355.29 | - | 0.03 | - | 0.03 | 355.26 |
| Buildings | 1,020.12 | 732.80 | - | 1,752.92 | 384.74 | 91.45 | - | 476.19 | 1,276.73 |
| Plant and Equipment | 5,713.55 | 2,286.89 | - | 8,000.44 | 2,845.76 | 603.44 | - | 3,449.20 | 4,551.24 |
| Furniture and Fixtures | 4.73 | 0.01 | - | 4.74 | 3.37 | 0.25 | - | 3.62 | 1.12 |
| Vehicles | 16.86 | 0.75 | 0.06 | 17.55 | 7.14 | 2.38 | 0.05 | 9.47 | 8.08 |
| Office Equipment | 13.47 | 4.09 | - | 17.56 | 10.38 | 2.92 | - | 13.30 | 4.26 |
| **Total** | **7,077.73** | **3,070.96** | **0.19** | **10,148.50** | **3,251.39** | **700.47** | **0.05** | **3,951.81** | **6,196.69** |

**Notes:**

(a) Refer note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(b) Refer notes 19 for information on property, plant and equipment pledged as security by the Group. .

## 3 Right-of-use assets

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Depreciation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Building | 5.14 | 0.67 | - | 5.81 | 4.29 | 0.05 | - | 4.34 | 1.47 |
| Land | 82.69 | 40.10 | - | 122.79 | 12.12 | 5.67 | - | 17.79 | 105.00 |
| **Total** | **87.83** | **40.78** | **-** | **128.60** | **16.41** | **5.72** | **-** | **22.13** | **106.47** |

| Description | Gross carrying amount | | | | Accumulated depreciation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Depreciation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Building | 4.78 | 0.82 | 0.46 | 5.14 | 4.07 | 0.72 | 0.50 | 4.29 | 0.85 |
| Land | 82.69 | - | - | 82.69 | 10.78 | 1.34 | - | 12.12 | 70.57 |
| **Total** | **87.47** | **0.82** | **0.46** | **87.83** | **14.85** | **2.06** | **0.50** | **16.41** | **71.42** |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

**(a)** The Group as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of business operations. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability. Variable lease payment which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Group has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Group to sub-lease the asset to another party, the right-of-use asset can only be used by the Group. Some lease contain an option to extend the lease for a further term.

**(b)** Additional information on extension/ termination options: Extension and termination options are included in a number of property lease arrangements of the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable based on consent of the Group.

**(c)** There are no leases which are yet to commence as on 31 March 2026 (31 March 2025: nil).

**(d)** Lease payments, not included in measurement of liability: The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Short-term leases | 75.33 | 56.21 |
| | **75.33** | **56.21** |

**(e)** Total undiscounted future lease payments relating to underlying leases are as follows:

| Particulars | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **As at 31 March 2026** | | | | | |
| Lease payments | 3.91 | 3.19 | 8.51 | 54.28 | 69.89 |
| | **3.91** | **3.19** | **8.51** | **54.28** | **69.89** |
| **As at 31 March 2025** | | | | | |
| Lease payments | 1.63 | 1.60 | 2.41 | 45.79 | 51.43 |
| | **1.63** | **1.60** | **2.41** | **45.79** | **51.43** |

**(f)** Amount recognised in the Balance sheet:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(i) Right-of-use assets** | | |
| Buildings | 1.47 | 0.85 |
| Land | 105.00 | 70.57 |
| | **106.47** | **71.42** |
| **(ii) Lease liabilities** | | |
| Non-current | 20.57 | 8.37 |
| Current | 3.18 | 1.60 |
| | **23.75** | **9.97** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(g)** Amount recognised in the Statement of Profit and Loss:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Depreciation expense | 5.72 | 2.06 |
| Interest expense (included in finance cost) | 2.40 | 0.92 |
| | **8.12** | **2.98** |

**(h)** Movement in lease liabilities:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 9.97 | 9.47 |
| Additions during the year | 64.96 | 1.19 |
| Finance cost accrued during the year | 2.40 | 0.92 |
| Payment of lease liabilities for the year | (53.58) | (1.61) |
| **Balance as at the end of the year** | **23.75** | **9.97** |

## 4 Capital Work-in-Progress

| Description | As at 01 April 2025 | Additions | Capitalizations / Adjustments | As at 31 March 2026 |
|---|---|---|---|---|
| Capital work in progress | 2,708.41 | 2,489.08 | 2,405.55 | 2,791.94 |
| **Total** | **2,708.41** | **2,489.08** | **2,405.55** | **2,791.94** |

| Description | As at 01 April 2025 | Additions | Capitalizations / Adjustments | As at 31 March 2026 |
|---|---|---|---|---|
| Capital work in progress | 3,764.08 | 1,832.96 | 2,888.63 | 2,708.41 |
| **Total** | **3,764.08** | **1,832.96** | **2,888.63** | **2,708.41** |

**Notes:**

(a) Ageing schedule of Capital work-in-progress

| Particulars | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **For the year ended 31 March 2026** | | | | | |
| Projects in progress | 1,620.14 | 238.37 | 258.21 | 675.22 | 2,791.94 |
| **For the year ended 31 March 2025** | | | | | |
| Projects in progress | 882.16 | 516.42 | 175.52 | 1,134.31 | 2,708.41 |

(b) (b) There are no projects as capital work-in-progess as at 31 March 2026 and 31 March 2025, whose completion is overdue or cost of which has exceeds in comparison to its original plan or which has been temporarily suspended.

(c) ₹106.92 crores (31 March 2025: ₹96.40 crores) of borrowing costs has been capitalised during the year against qualifying assets under construction using a capitalisation rate of 6.45% (31 March 2025: 6.35%).

## 5 Intangible assets

| Description | Gross block | | | | Accumulated amortisation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2025 | Additions | Disposals/ Adjustment | As at 31 March 2026 | As at 01 April 2025 | Depreciation | Disposals/ Adjustment | As at 31 March 2026 | As at 31 March 2026 |
| Software | 12.41 | 0.06 | - | 12.47 | 9.08 | 1.36 | - | 10.44 | 2.03 |
| Technology | 146.70 | - | - | 146.70 | 61.46 | 28.41 | - | 89.87 | 56.83 |
| **Total** | **159.11** | **0.06** | **-** | **159.17** | **70.54** | **29.77** | **-** | **100.31** | **58.86** |





| Description | Gross block | | | | Accumulated amortisation | | | | Net block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01 April 2024 | Additions | Disposals/ Adjustment | As at 31 March 2025 | As at 01 April 2024 | Depreciation | Disposals/ Adjustment | As at 31 March 2025 | As at 31 March 2025 |
| Software | 11.72 | 0.69 | - | 12.41 | 7.54 | 1.54 | - | 9.08 | 3.33 |
| Technology | 146.70 | - | - | 146.70 | 54.36 | 7.10 | - | 61.46 | 85.24 |
| **Total** | **158.42** | **0.69** | **-** | **159.11** | **61.90** | **8.64** | **-** | **70.54** | **88.57** |

## 6 Investments

### (a) Investments in associates and joint ventures

The Group has no material associates and joint venture entity as at 31 March 2026. The aggregate summarised financial information in respect of the Group's immaterial associates and joint venture entities are accounted for using the equity method is as below:

| Particulars | Ownership | Face Value (₹ per share) | Number of shares | | Value | |
|---|---|---|---|---|---|---|
| | | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **Investment in equity instrument - unquoted** | | | | | | |
| **Investments in Associates** | | | | | | |
| Meghana Vyapaar Private Limited | 33.51% | 10 | 1,00,000 | 1,00,000 | 2.02 | 2.22 |
| Kolhan Complex Private Limited | 41.28% | 10 | 1,33,400 | 1,33,400 | 1.20 | 1.20 |
| Emerge Solar Projects Private Limited | 26.00% | 10 | 2,600 | - | 0.25 | - |
| Investment in Joint venture entities | | | | | | |
| MJSJ Coal Limited | 9.00% | 10 | 85,59,000 | 85,59,000 | 8.56 | 8.56 |
| Less Provision for impairment in value of investments | | | | | (8.56) | (8.56) |
| Kalinga Energy & Power Limited | 50.00% | 10 | 1,25,000 | 1,25,000 | 0.13 | 0.13 |
| **Total (A)** | | | | | **3.60** | **3.55** |

**Note:**

(a) The above entities have share capital consisting solely of equity shares, which are held directly by the Group. The proportion of ownership interest is the same as the proportion of voting rights held.

(b) The Group has agreement with the above entities that the profits of these entities cannot be distributed without the Company's consent. The Company does not foresee giving such consent at the reporting date.

### (b) Non-current investments

| Particulars | Face Value | Number of shares | | Value of Shares | |
|---|---|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **Investments in Others** | | | | | |
| **(i) Investment in equity shares** | | | | | |
| (Unquoted, measured at fair value through Other Comprehensive income) | | | | | |
| Dorite Tracon Private Limited | 10 | 7,30,000 | 7,30,000 | 62.58 | 63.32 |
| Narantak Dealcomm Limited | 10 | 27,28,088 | 27,28,088 | 240.61 | 249.05 |
| Subhlabh Commercials Private Limited | 10 | 1,01,350 | 1,01,350 | 2.97 | 2.69 |
| Shubham Capital Private Limited | 10 | 3,57,000 | 3,57,000 | 42.60 | 37.22 |
| Karva Automart Limited | 10 | 10,000 | 10,000 | 0.03 | 0.03 |
| | | | | **348.79** | **352.31** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Face Value | Number of shares | | Value of Shares | |
|---|---|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **(ii) Investment in Government Securities** | | | | 0.10 | 0.10 |
| (Unquoted, carried at amortised cost) | | | | | |
| **(iii) Investments in Debentures/Bonds** | | | | 17.66 | 572.44 |
| (Quoted, carried at amortised cost) | | | | | |
| **(iv) Investments in Debentures/Mutual funds** | | | | 23.49 | 22.00 |
| (Quoted, measured at fair value through profit or loss) | | | | | |
| **(v) Investment in Alternate investments funds** | | | | 762.47 | 357.70 |
| (Unquoted, measured at fair value through profit or loss) | | | | | |
| Less: Current maturities of non-current investments | | | | - | (14.57) |
| **Total (B)** | | | | **1,152.51** | **1,289.98** |
| **Total (A+B)** | | | | **1,156.11** | **1,293.53** |

**Additional note for Non-current Investments:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Aggregate carrying value of unquoted investments | 1,111.36 | 710.11 |
| Aggregate carrying value of quoted investments | 41.15 | 579.87 |
| Aggregate market value of quoted investments | 41.15 | 579.87 |

## (c) Current investments

| Particulars | Face Value | Number of shares | | Value of Shares | |
|---|---|---|---|---|---|
| | | As at 31 March 2026 | As at 31 March 2025 | As at 31 March 2026 | As at 31 March 2025 |
| **(i) Investment in equity shares** | | | | | |
| (Unquoted, measured at fair value through Other Comprehensive income) | | | | | |
| Bajaj Finance Limited | 1 | 2,500 | 6,547 | 2.40 | 2.24 |
| Brookfield India Real Estate Trust REIT | 274 | 58,400 | 58,400 | 0.10 | 10.90 |
| Powergrid Infrastructure Investment Trust | 100 | 5,41,200 | 5,41,200 | 0.02 | 4.11 |
| Reliance Industries | 10 | 18,000 | 18,000 | 2.42 | 2.30 |
| | | | | **4.94** | **19.55** |
| **(ii) Investments in Debentures/Bonds** | | | | 257.90 | 143.36 |
| (Quoted, carried at amortised cost) | | | | | |
| **(iii) Investments in Debentures/Mutual funds** | | | | 163.16 | 646.96 |
| (Quoted, measured at fair value through profit or loss) | | | | | |
| Add: Current maturities of non current investments | | | | - | 14.57 |
| | | | | **426.00** | **824.44** |

**Additional notes:**

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Aggregate carrying value of quoted investments | 426.00 | 824.44 |
| Aggregate market value of quoted investments | 426.00 | 824.44 |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

(a) Investments at fair value through Other Comprehensive Income (OCI) (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding.

(b) A description of the Group's financial instrument risks, including risk management objectives and policies is given in note 42. The methods used to measure financial assets reported at fair value are described therein.

(c) The debt securities including bonds and debentures are meeting Solely Payment of Principal and Interest (SPPI) test and are held in a business model whose objective is to hold the investment till maturity are designated as amortised cost.

(d) There were no impairment in investments for the year ended 31 March 2026 (31 March 2025 - Nil).

(e) Investments amounting to ₹115.00 Crores (31 March 2025: ₹115.00 Crores) are kept as lien with banks in the nature of Corporate Guarantee for the purpose of Bank Guarantee in related companies.

| Name of the Bank in whose favour guarantee has been executed | Name of the entity | Amount involved: As at 31 March 2026 | Amount involved: As at 31 March 2025 |
|---|---|---|---|
| IDFC First Bank Limited | Shree Venkateshwara Electrocast Pvt. Ltd | 25.00 | 25.00 |
| Axis Bank Limited | Shree Venkateshwara Electrocast Pvt. Ltd | 40.00 | 40.00 |
| ICICI Bank Limited | SMEL Steel Structural Private Limited | 50.00 | 50.00 |
| | | **115.00** | **115.00** |

## 7 Other financial assets (non-current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Unsecured, considered good** | | |
| Security deposits | 42.36 | 14.99 |
| Bank deposits with maturity more than 12 months | 8.04 | 8.63 |
| | **50.40** | **23.62** |

**Note:**

Fixed Deposits includes balances amounting to ₹8.04 Crores (31 March 2025 : ₹8.63 Crores) held as margin money.

## 8 Non-current tax assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Advance tax** | | |
| (net of provisions amounting to ₹848.50 crores (31 March 2025: ₹925.54 crores)) | 170.57 | 167.10 |
| | **170.57** | **167.10** |

## 9 Other non-current assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Capital advances | 492.27 | 225.25 |
| Deposits against demands under dispute | 6.44 | 7.77 |
| Advance to employees [refer note below] | 2.82 | 2.80 |
| Prepaid expenses | 0.07 | 0.10 |
| Others | 0.31 | 0.34 |
| **Total** | **501.91** | **236.26** |

**Note:**

Advance to employees are advances made to directors and their relative (refer note 41).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 10 Inventories

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Valued at lower of cost and net realisable value)** | | |
| Raw materials | 2,525.37 | 1,413.69 |
| Work-in-progress | 12.18 | 2.54 |
| Finished goods | 1,307.41 | 962.65 |
| Stores and spares | 295.88 | 366.40 |
| Stock-in-trade | 6.18 | 5.91 |
| By-products | 359.16 | 238.80 |
| Less: Provision for slow and non-moving items | (4.73) | (4.55) |
| **Total** | **4,501.45** | **2,985.44** |
| **Included above, goods-in-transit** | | |
| Raw materials | 203.16 | 133.62 |
| Stores and spares | 0.79 | 0.79 |
| Finished goods | 66.21 | 42.80 |
| | **270.16** | **177.21** |

**Notes:**

(a) Refer note 19 for information on inventories pledged as security by the Group.

(b) During the year ended 31 March 2026, Nil (31 March 2025: ₹7.77 Crores) was recognized as expense for inventories recorded at net realizable value.

(c) The movement in provision for slow and non-moving items is as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Opening balance** | 4.55 | 2.29 |
| Additions during the year | 0.18 | 2.26 |
| **Closing Balance** | **4.73** | **4.55** |

## 11 Trade receivables

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Secured, considered good | 263.83 | 268.64 |
| Unsecured, considered good | 640.76 | 523.87 |
| Credit impaired | 25.99 | 20.53 |
| | **930.58** | **813.04** |
| Less: Allowance for expected credit losses | (25.99) | (20.53) |
| | **904.59** | **792.51** |

**Notes:**

(a) In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(b) For trade receivable outstanding from related parties (refer note 41)

(c) There are no trade or other receivable which are either due from directors or other officers of the Group either severally or jointly with any other person.

(d) Trade receivables are non-interest bearing and are generally on credit terms of 30 to 60 days. The Group does not hold any collateral security.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(e) Trade receivable ageing:

| Particulars | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **As at 31 March 2026:** | | | | | | | |
| **Undisputed:** | | | | | | | |
| - Considered good | - | 362.17 | 371.97 | 138.51 | 31.74 | 0.20 | 904.59 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 5.82 | 3.63 | 4.29 | 2.60 | 1.57 | 17.91 |
| **Disputed:** | | | | | | | |
| - Considered good | - | - | - | - | - | - | - |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit impaired | - | 0.66 | 1.71 | 0.16 | 5.05 | 0.50 | 8.08 |
| **Total (A)** | **-** | **368.65** | **377.31** | **142.96** | **39.39** | **2.27** | **930.58** |
| Less: Allowance for significant increase in credit risk | - | - | - | - | - | - | - |
| Less: Allowance for credit impairment | - | 6.48 | 5.34 | 4.45 | 7.65 | 2.07 | 25.99 |
| **Total (B)** | **-** | **6.48** | **5.34** | **4.45** | **7.65** | **2.07** | **25.99** |
| Expected credit loss rate (ECL) | - | 2% | 1% | 3% | 19% | 91% | 3% |
| **Total (A-B)** | **-** | **362.17** | **371.97** | **138.51** | **31.74** | **0.20** | **904.59** |
| **As at 31 March 2025:** | | | | | | | |
| **Undisputed:** | | | | | | | |
| - Considered good | - | 755.36 | 21.90 | 9.52 | 5.57 | 0.16 | 792.51 |
| - Significant increase in credit risk | - | | | | | | - |
| - Credit impaired | - | 5.23 | 2.23 | 2.33 | 2.58 | 0.47 | 12.84 |
| **Disputed:** | | | | | | | |
| - Considered good | | | | | | | - |
| - Significant increase in credit risk | - | | | | | | - |
| - Credit impaired | - | 0.07 | 0.25 | 4.69 | 0.83 | 1.85 | 7.69 |
| **Total (A)** | **-** | **760.66** | **24.38** | **16.54** | **8.98** | **2.48** | **813.04** |
| Less: Allowance for significant increase in credit risk | - | - | - | - | - | - | - |
| Less: Allowance for credit impairment | - | 5.30 | 2.48 | 7.02 | 3.41 | 2.32 | 20.53 |
| **Total (B)** | **-** | **5.30** | **2.48** | **7.02** | **3.41** | **2.32** | **20.53** |
| Expected credit loss rate (ECL) | - | 1% | 10% | 42% | 38% | 94% | 3% |
| **Total (A-B)** | **-** | **755.36** | **21.91** | **9.52** | **5.57** | **0.16** | **792.51** |

**Notes:**

(f) The movement in allowances for expected credit losses as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Opening balance** | 20.53 | 21.71 |
| Additions during the year | 5.46 | - |
| Write off (net of recoveries) | - | (1.18) |
| **Closing Balance** | **25.99** | **20.53** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 12 Cash and cash equivalents

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Balance with banks** | | |
| - In current accounts | 49.76 | 61.09 |
| Cash on hand | 0.94 | 2.04 |
| Cheques, drafts on hand | 46.42 | - |
| **Total** | **97.12** | **63.13** |

## 13 Bank balances other than cash and cash equivalents

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Earmarked balances with banks** | | |
| Unpaid dividend | 0.74 | 0.16 |
| Fixed Deposits with remaining maturity for less than 3 months (Refer note (a) and (b) below) | 3.42 | 3.33 |
| Fixed Deposits with remaining maturity for more than 3 months but less than 12 months (Refer note (a) below) | 4.38 | 1.63 |
| **Total** | **8.54** | **5.12** |

**Note:**

(a) The above fixed deposits include fixed deposits amounting to ₹7.11 crores (31 March 2025: ₹7.86 crores) placed by the erstwhile Resolution Professional (Ex-RP) with the bank for one of the subsidiary company which was acquired through Insolvency and Bankruptcy Code, 2016 (IBC). These deposits represent the balance amount payable to the financial creditors, together with the interest earned and accrued thereon, in accordance with the Resolution Plan approved by the NCLT, and are earmarked for payment to the respective financial creditors amounting to ₹7.11 crores, which has been presented on a net basis.

(b) Fixed Deposits includes balances amounting to ₹4.73 Crores (31 March 2025 : ₹4.64 Crores) held as margin money.

## 14 Loans (Current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Loan to body corporates - Considered good | 3.66 | 3.69 |
| **Total** | 3.66 | 3.69 |

## 15 Other financial assets (current)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Security deposits (Short Term) | 6.86 | 6.62 |
| Interest accrued and due on fixed deposits | 1.60 | 1.73 |
| Interest accrued on Bonds | - | 1.86 |
| Interest accrued and due on security deposits | 0.80 | 0.78 |
| Earnest money deposit | 0.04 | 0.01 |
| Subsidy and incentive receivable [refer note (a) below] | 57.95 | 57.16 |
| Less: Provision for subsidy and incentive receivable | (22.00) | (20.44) |
| Mark-to-market impact on forward contract | - | 2.56 |
| **Total** | **45.25** | **50.28** |





**Notes:**

(a) The movement for provision for subsidy and incentive receivable is as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Opening balance** | 20.44 | 16.66 |
| Additions | 1.56 | 3.78 |
| **Closing Balance** | 22.00 | 20.44 |

## 16 Other current assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **(Unsecured, considered good)** | | |
| Advances other than capital advances: | | |
| - against goods and services | 1,036.85 | 599.19 |
| Prepaid expenses | 7.55 | 1.91 |
| Advances to employees | 8.29 | 7.15 |
| Balances with statutory authorities | 216.60 | 197.17 |
| | **1,269.29** | **805.42** |

(a) Refer Note 41 for Related Party Transactions and outstanding balance.

## 17 Equity Share Capital

### a) Authorised

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Authorised Capital** | | |
| 400,000,000 (31 March 2025 - 400,000,000) Equity Shares of ₹10 each | 400.00 | 400.00 |
| **Total** | **400.00** | **400.00** |

### b) Issued, subscribed and paid-up Share Capital

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Issued, subscribed & fully paid-up Capital** | | |
| 278,286,312 (31 March 2025 - 278,223,162) equity shares of ₹10 each | 278.29 | 278.22 |
| **Total** | **278.29** | **278.22** |

### c) Reconciliation of equity shares outstanding at the end of the reporting period

| Particulars | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| Equity shares at the beginning of the year | 27,82,23,162 | 278.22 | 27,80,38,567 | 278.04 |
| Less: Adjustment for employee stock options exercised during the year | 63,150 | 0.07 | 1,84,595 | 0.18 |
| **Equity shares at the end of the year** | **27,82,86,312** | **278.29** | **27,82,23,162** | **278.22** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(i) Shyam Metalics Employees Welfare Trust:**

The Holding Company has formed Shyam Metalics Employee Welfare Trust ('Trust') for the implementation of its ESOP scheme. The Trust had acquired 1,093,286 shares from the market out of 27,91,31,853 shares which was accordingly presented on a net basis. During the year ended 31 March 2026, the Trust has transferred 63,150 number of equity shares (31 March 2025: 184,595) aggregating to 247,745 shares till date to the eligible employees of the group pursuant to the exercise of vested stock options which were granted to them by the Group vide its 'SMEL Performance ESOP Scheme (ESOP 2023)', and 'SMEL Loyalty Scheme (ESOP II- 2023) (refer note 39).

**d) Rights/preferences/restrictions attached to equity shares**

(i) The Holding Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees.

(ii) In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**e) Particulars of shareholders holding more than 5% shares of a class of shares**

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Number of shares | % of shareholding | Number of shares | % of shareholding |
| **Equity shares of ₹10 each fully paid up, held by:** | | | | |
| Subham Buildwell Private Limited | 6,10,28,420 | 21.86% | 6,10,28,420 | 21.86% |
| Narantak Dealcomm Limited | 4,32,23,170 | 15.48% | 4,32,23,170 | 15.48% |
| Subham Capital Private Limited | 4,07,85,620 | 14.61% | 4,07,85,620 | 14.61% |
| Kalpataru Housefin & Trading Private Limited | 2,14,02,157 | 8.34% | 2,14,02,157 | 8.34% |
| Dorite Tracon Private Limited | 1,42,16,273 | 7.67% | 1,42,16,273 | 7.67% |
| Brij Bhushan Agarwal | 2,32,84,820 | 5.09% | 2,32,84,820 | 5.09% |

**f) Shareholding of promoters are as follows:**

| Name of the Promoter / Promoter Group | As at 31 March 2026 | | | As at 31 March 2025 | | |
|---|---|---|---|---|---|---|
| | No. of Shares | % of total shares | % change during the year | No of Shares | % of total shares | % change during the year |
| **Promoters:** | | | | | | |
| Subham Buildwell Private Limited | 6,10,28,420 | 21.86% | 0.00% | 6,10,28,420 | 21.86% | 0.00% |
| Narantak Dealcomm Limited | 4,32,23,170 | 15.48% | 0.00% | 4,32,23,170 | 15.48% | 0.00% |
| Subham Capital Private Limited | 4,07,85,620 | 14.61% | 0.00% | 4,07,85,620 | 14.61% | 0.00% |
| Kalpataru Housefin & Trading Private Limited | 2,14,02,157 | 7.67% | 0.00% | 2,14,02,157 | 7.67% | 0.00% |
| Dorite Tracon Private Limited | 1,42,16,273 | 5.09% | 0.00% | 1,42,16,273 | 5.09% | 0.00% |
| Top Light Mercantiles Private Limited | 6,98,750 | 0.25% | 0.00% | 6,98,750 | 0.25% | 0.00% |
| Brij Bhushan Agarwal | 2,32,84,820 | 8.34% | 0.00% | 2,32,84,820 | 8.34% | 0.00% |
| Sanjay Kumar Agarwal | 31,580 | 0.01% | 0.00% | 31,580 | 0.01% | 0.00% |
| Mahabir Prasad Agarwal | 2,525 | 0.00% | 0.00% | 2,525 | 0.00% | 0.00% |
| **Promoter's Group:** | | | | | | |
| Brij Bhushan Agarwal HUF | 22,50,000 | 0.81% | 0.00% | 22,50,000 | 0.81% | 0.00% |
| Mittu Agarwal | 11,33,750 | 0.41% | 0.00% | 11,33,750 | 0.41% | 0.00% |
| Sangita Agarwal | 45,000 | 0.02% | 0.00% | 45,000 | 0.02% | 0.00% |
| Kirandevi Vimal Agrawal | 45,176 | 0.02% | 0.00% | 45,176 | 0.02% | 0.39% |
| Anita Jhunjhunwala | 45,000 | 0.02% | 0.00% | 45,000 | 0.02% | 0.00% |
| Bajrang Lal Agarwal | 2,500 | 0.00% | 0.00% | 2,500 | 0.00% | 0.00% |

**(g)** 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 year end.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(h) Shares reserved for issue under options**

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 40.

**(i)** No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**(j) Dividend**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Group's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

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

The amount of per share dividend recognized as distribution to equity shareholders in accordance with Companies Act 2013 is as follows:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Final dividend for year ended 31 March 2026 (₹2.70 per share) [Refer note (i) below] | 75.14 | - |
| Interim dividend for year ended 31 March 2026 (₹1.80 per share) | 50.08 | - |
| Interim dividend for year ended 31 March 2025 (₹2.25 per share) | - | 62.60 |
| Final dividend for fiscal year ended 31 March 2025 (₹2.25 per share) | - | 62.56 |

**Note:**

(i) This is subject to approval by the members of the Holding Company in the ensuing Annual General Meeting.

(ii) Out of the total dividend distributed in FY 2022-23, 2023-24, 2024-25, 2025-26 an amount of ₹0.74 Crores (31 March 2025: ₹0.16 Crores) is unpaid and is lying in our bank accounts earmarked for dividend payment

## 18 Other equity

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Reserves and surplus** | | |
| - Capital Reserve | 1,023.22 | 1,023.22 |
| - Retained Earnings | 7,808.46 | 6,840.42 |
| - Securities premium | 2,139.58 | 2,139.58 |
| - Other reserves | 4.45 | 4.45 |
| - ESOP Trust Reserve | (38.23) | (37.94) |
| - Share options outstanding account | 17.47 | 12.76 |
| **Other reserves** | | |
| - Equity instruments through other comprehensive income ('OCI') | 289.57 | 292.62 |
| - Remeasurement of the net defined benefit plans | - | - |
| | **11,244.52** | **10,275.11** |

**Notes:**

**(a) Capital Reserve:** Capital reserve has been created to set aside gains of capital nature from amalgamation and merger. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 1,023.22 | 1,023.22 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **1,023.22** | **1,023.22** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(b) Retained earnings:** Retained earnings represents the profits earned by the Group till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 6,840.42 | 6,071.94 |
| Add: Profit for the year | 1,070.24 | 908.10 |
| Add: Transfers within equity | 7.77 | (3.60) |
| Add: Adjustment for employee stock options exercised during the year | 0.35 | 2.15 |
| Add: Adjustment for employee stock options lapsed during the year | 2.73 | - |
| Less: Dividends paid during the year | (113.05) | (138.17) |
| **Balance as at the end of the year** | **7,808.46** | **6,840.42** |

**(c) Security premium:** Security premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 2,139.58 | 2,139.58 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **2,139.58** | **2,139.58** |

**(d) Other reserves:** Other reserves represents the appropriation of profits earned to reserves. This reserve is not available for capitalisation/declaration of dividend/share buy-back. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 4.45 | 4.45 |
| Add: Movement for the year | - | - |
| **Balance as at the end of the year** | **4.45** | **4.45** |

**(e) ESOP Trust Reserve:** ESOP Trust reserve represents the value of securities held by the ESOP trust for the purposes of issuance of shares to employees by the Trust and other income/ expenses included in the Statement of Profit and Loss. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | (37.94) | (45.92) |
| Add: Proceeds from exercise of employee stock options (Refer note 39) | 2.44 | 7.98 |
| Less: Adjustment for employee stock options lapsed during the year (Refer note 39) | (2.73) | - |
| **Balance as at the end of the year** | **(38.23)** | **(37.94)** |

**(f) Share options outstanding account:** The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 12.76 | 7.40 |
| Add: Proceeds from exercise of employee stock options | 4.71 | 5.36 |
| **Balance as at the end of the year** | **17.47** | **12.76** |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(g) Equity instruments through OCI:** The Company has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the equity instruments through OCI shown under the head other equity. Movement for the year is as follows:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Balance as at the beginning of the year | 292.62 | 167.96 |
| Add: Fair value changes to investments in equity instruments (net of taxes) | (3.05) | 124.66 |
| **Balance as at the end of the year** | **289.57** | **292.62** |

## 19 Borrowings

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| (Secured) | | |
| Term loan from banks: | | |
| Indian Rupee loan [refer note (a) below] | 62.50 | 125.00 |
| Foreign currency loan [refer note (b) below] | 107.41 | 111.19 |
| Commercial Vehicle Loan [refer note (c) below] | 2.44 | 2.67 |
| | **172.35** | **238.86** |
| Less: Current maturities of non-current borrowings | (87.30) | (83.65) |
| | **85.05** | **155.21** |
| (Unsecured) | | |
| From Body Corporates | 11.99 | - |
| | **11.99** | **-** |
| **Total** | **97.04** | **155.21** |
| **B. Current** | | |
| (Secured, repayable on demand) | | |
| From banks: | | |
| Working capital - Cash Credit [refer note (d) & (f) below] | 0.27 | 63.45 |
| Working capital - Demand Loan [refer note (e) & (f) below] | 784.29 | 465.42 |
| Add: Current maturities of non-current borrowings | 87.30 | 83.65 |
| (Unsecured) | | |
| From Body Corporates | 11.46 | 11.10 |
| From Others | 0.96 | 0.63 |
| **Total** | **884.28** | **624.25** |

**Notes:**

Repayment terms and security disclosure for the outstanding borrowings (including current maturities) as on 31 March 2026 and 31 March 2025:

**(a) Indian Rupee Loan from banks:**

| Name of Bank | Type of Loan | Loan Amount: As at 31 March 2026 | Loan Amount: As at 31 March 2025 | Repayment Schedule | Security, Pre-payment and Penalty |
|---|---|---|---|---|---|
| HDFC bank | Term Loan | 62.50 | 125.00 | HDFC Term Loan of ₹250 crores is repayable in equal quarterly instalments starting from 31 January 2024 and ending on 31 October 2026. It carries a rate of interest of 7.39% p.a. which is repayable on a monthly basis. | Movable PPE- Factory Land & Building situated at Industrial Growth Centre, Pithampur, District Dhar Plant, Madhya Pradesh. Movable PPE - Plant and Machinery situated at Industrial Growth Centre, Pithampur, District Dhar Plant, Madhya Pradesh. |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(b) Foreign Currency Loan from banks:**

| Name of Bank | Type of Loan | Loan Amount As at 31 March 2026 | Loan Amount As at 31 March 2025 | Repayment Schedule | Security, Pre-payment and Penalty |
|---|---|---|---|---|---|
| Oldenburgische Landesbank AG, Germany | ECB | 107.41 | 111.19 | External Commercial Borrowings of EURO 18,571,830.2 crores has been sanctioned out of which Euro 18,571,830.2 crores has been disbursed until 31 March 2025 (31 March 2024: EURO 16,428,660.20 Crores).<br>The loan is repayable in 15 (equal) half-yearly instalments, commencing from 30 Sept 2023 till 30 Sept 2030 | Exclusive charge on the property, plant & equipments imported by utilising this loan. |

**(c)** **Commercial Vehicle loan** - Hire Purchase loans are repayable in monthly instalments and secured by assets purchased there again.

**(d)** **Cash credit facilities** from banks carry interest ranging between8.30% p.a. - 9.35% p.a. (31 March 2025 : 8.45% p.a. - 9.90% p.a.), computed on a daily basis on the actual amount utilised, and are repayable on demand. These are secured by way of hypothecation of the Group's entire current assets (excluding investments) and further secured by second charge on property, plant and equipments of the Group.

**(e)** **Working capital demand loan** has been availed from banks for financing of the working capital requirement for a period of 60 - 90 days. The rate of interest on these facilities ranges between 6.03% p.a. - 7.10% p.a. (31 March 2025: 6.74% p.a. - 12.04% p.a.), fixed and shall be payable at monthly rest on the first day of the subsequent month/maturity, wherever applicable. These are secured by way of hypothecation of the Group's entire current assets (excluding investments) and further secured by second charge on fixed assets of the Group.

**(f)** **Security details:**

**Primary security**

(i) Charge on inventories and trade receivable of the Group along with other current assets (excluding investments) on pari passu basis with working capital bankers.

**Collateral security**

(i) Hypothecation of the entire movable property, plant & equipments of the Group at Mangalpur unit ranking pari-passu for charge basis with other working capital lenders.

(ii) 1st pari passu charge by way of equitable mortgage of factory Land & Building of Mangalpur unit admeasuring 10 acres.

(iii) 2nd pari-passu charge by way of equitable mortgage of factory Land & Building of Jamuria unit admeasuring 309.19 acres.

(iv) Hypothecation of the entire moveable property, plant & equipment of the Group at Jamuria unit ranking pari-passu second charge basis with other working capitals lenders.

(v) Hypothecation of the entire movable property, plant & equipment of the Group at new Aluminium Foil unit at Pakuria (except assets specifically charged to equipment financier, i.e., OLB Bank) ranking pari-passu second charge basis with other working capital lenders.

(vi) Mortgage of factory land and building of the Group measuring about 5.41 acres at the Aluminium Foil unit at Pakuria ranking pari-passu second charge basis with other working capital lenders.

**(g)** During the year the Group has not defaulted on any repayment of borrowings.

**(h)** During the year the Group has not defaulted on any repayment of borrowings.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 20 Lease Liabilities

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| - Lease liabilities | 20.57 | 8.37 |
| | **20.57** | **8.37** |
| **B. Current** | | |
| - Lease liabilities | 3.18 | 1.60 |
| | **3.18** | **1.60** |

**Notes:**

Refer note 3 for detailed disclosures of Ind AS 116.

## 21 Other financial liabilities

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| Retention money | 120.01 | 84.97 |
| | **120.01** | **84.97** |
| **B. Current** | | |
| Retention money | - | 0.11 |
| Mark-to-market on forward contracts | 18.97 | - |
| Trade deposits | - | 0.30 |
| Interest accrued but not due on borrowings | 27.68 | 33.50 |
| Unpaid dividend [refer note below] | 0.74 | 0.16 |
| Creditors for capital goods | 911.05 | 596.91 |
| Employee related payables | 60.01 | 50.90 |
| | **1,018.45** | **681.88** |

**Notes:**

These are not yet due for credit into the Investor Education and Protection Fund, in accordance with Section 124 of the Act, as on 31 March 2026 (31 March 2025: Nil)

## 22 Provisions

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current** | | |
| Provision for employee benefits - Gratuity (refer note 39) | 37.72 | 31.11 |
| **Total** | **37.72** | **31.11** |
| **B. Current** | | |
| Provision for employee benefits - Gratuity (refer note 39) | 1.88 | 1.33 |
| Provision for employee benefits - Leave encashment | 14.13 | 10.16 |
| Provision for Bonus | - | 0.67 |
| | **16.01** | **12.16** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 23 Deferred tax

### (A) Deferred tax liability, net

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **Deferred tax liabilities arising on account of:** | | |
| Property, plant and equipment and other intangible assets (including right of use assets) | 177.95 | 132.27 |
| Fair valuation of financial instruments through FVTPL | 11.49 | 18.42 |
| Fair valuation of financial instruments through OCI | 47.94 | 48.55 |
| | **237.38** | **199.24** |
| **Deferred tax assets arising on account of:** | | |
| Lease liabilities | 24.15 | 2.45 |
| Impairment loss on financial assets | 7.59 | 4.76 |
| Provision for subsidy and incentive receivable | 6.29 | 5.15 |
| Provision for employee benefits | 13.46 | 10.75 |
| Provision for slow and non-moving items | 1.19 | 0.99 |
| Unabsorbed business losses and depreciation | 17.64 | 4.34 |
| Others | 18.52 | 17.55 |
| | **88.84** | **45.99** |
| Deferred tax liability, net | **148.54** | **153.25** |

**Notes:**

(a) Movement in of deferred tax (assets) / liabilities (net):

| Particulars | Balance as at the beginning of the year | Recognised in the Statement of Profit and Loss | Recognised in Other Comprehensive Income | Utilisation of MAT credit entitlement | Balance as at the end of the year |
|---|---|---|---|---|---|
| **Year ended 31 March 2026:** | | | | | |
| **Deferred tax liabilities arising on account of:** | | | | | |
| Property, plant and equipment and other intangible assets (including right of use assets) | 132.27 | 45.68 | - | - | 177.95 |
| Fair valuation of financial instruments through FVTPL | 18.42 | (6.93) | - | - | 11.49 |
| Fair valuation of financial instruments through OCI | 48.55 | - | (0.61) | - | 47.94 |
| **Total deferred tax liabilities** | **199.24** | **38.75** | **(0.61)** | **-** | **237.38** |
| **Deferred tax assets arising on account of:** | | | | | |
| Lease liabilities | 2.45 | 21.70 | - | - | 24.15 |
| Impairment loss on financial assets | 4.76 | 2.83 | - | - | 7.59 |
| Provision for subsidy and incentive receivable | 5.15 | 1.14 | - | - | 6.29 |
| Provision for employee benefits | 10.75 | 4.33 | (1.62) | - | 13.46 |
| Provision for slow and non-moving items | 0.99 | 0.20 | - | - | 1.19 |
| Unabsorbed business losses and depreciation | 4.34 | 13.30 | - | - | 17.64 |
| Others | 17.55 | 0.97 | - | - | 18.52 |
| **Total deferred tax assets** | **45.99** | **44.47** | **(1.62)** | **-** | **88.84** |
| **Deferred tax (assets) / liabilities (net)** | **153.25** | **(5.72)** | **1.01** | **-** | **148.54** |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Balance as at the beginning of the year | Recognised in the Statement of Profit and Loss | Recognised in Other Comprehensive Income | Utilisation of MAT credit entitlement | Balance as at the end of the year |
|---|---|---|---|---|---|
| **Year ended 31 March 2025:** | | | | | |
| **Deferred tax liabilities arising on account of:** | | | | | |
| Property, plant and equipment and other intangible assets (including right of use assets) | 130.51 | 1.76 | - | - | 132.27 |
| Fair valuation of financial instruments through FVTPL | 16.67 | 1.69 | 0.06 | - | 18.42 |
| Fair valuation of financial instruments through OCI | 49.75 | (0.92) | (0.28) | - | 48.55 |
| **Total deferred tax liabilities** | **196.93** | **2.53** | **(0.22)** | **-** | **199.24** |
| **Deferred tax assets arising on account of:** | | | | | |
| Lease liabilities | 2.48 | (0.03) | - | - | 2.45 |
| Impairment loss on financial assets | 6.54 | (1.78) | - | - | 4.76 |
| Provision for subsidy and incentive receivable | 4.19 | 0.96 | - | - | 5.15 |
| Provision for employee benefits | 10.32 | 0.93 | (0.50) | - | 10.75 |
| Provision for slow and non-moving items | 0.47 | 0.52 | - | - | 0.99 |
| Unabsorbed business losses and depreciation | 86.79 | (82.45) | - | - | 4.34 |
| Others | 10.31 | 7.24 | - | - | 17.55 |
| MAT credit entitlement | 17.36 | - | - | (17.36) | - |
| **Total deferred tax assets** | 138.46 | (74.61) | (0.50) | (17.36) | 45.99 |
| **Deferred tax (assets) / liabilities (net)** | **58.47** | **77.14** | **0.28** | **17.36** | **153.25** |

(b) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not possible that the future taxable profit will be available against which the Group can use the benefits therefrom

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Gross amount | Unrecognised tax effect | Gross amount | Unrecognised tax effect |
| Tax losses (Refer note (d) below) | 1,178.28 | 296.55 | 1,231.12 | 309.85 |

(c) Assessment year to which the unused tax losses pertains:

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Gross amount | Unrecognised tax effect | Gross amount | Unrecognised tax effect |
| **Assessment year ending** | | | | |
| 2030-31 | 608.65 | 153.19 | 661.49 | 166.48 |
| 2031-32 | 263.48 | 66.31 | 263.48 | 66.31 |
| Unabsorbed depreciation | | | | |
| No expiry | 306.15 | 77.05 | 306.15 | 77.05 |
| | **1,178.28** | **296.55** | **1,231.12** | **309.84** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 24 Other liabilities:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| **A. Non-current:** | | |
| Deferred revenue grant | 0.15 | 0.19 |
| | **0.15** | **0.19** |
| **B. Current:** | | |
| Liability for water charges | - | 12.31 |
| Statutory dues payable | 25.86 | 41.04 |
| Advance from customers | 125.71 | 120.85 |
| Deferred revenue grant | 0.06 | 0.06 |
| Other payables | 222.54 | 154.69 |
| | **374.17** | **328.95** |

## 25 Trade Payables

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Total outstanding due of micro enterprise and small enterprise (refer note below) | 36.61 | 1.22 |
| Total outstanding due to creditors other than micro enterprise and small enterprise | 4,828.48 | 2,916.02 |
| | **4,865.09** | **2,917.24** |

**Notes:**

(a) Disclosure required under Sec 22 of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') :

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| (a) Dues remaining unpaid to any supplier at the year end | | |
| - Principal | 36.61 | 1.22 |
| - Interest on the above | - | - |
| (b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year | | |
| - Principal beyond the appointed date | - | - |
| - Interest paid in terms of Section 16 of the MSMED Act | - | - |
| (c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year | - | - |
| (d) Amount of interest accrued and remaining unpaid | - | - |
| (e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises | - | - |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(b) Trade Payable ageing schedule:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **As at 31 March 2026:** | | | | | | |
| - MSME | - | 36.61 | - | - | - | 36.61 |
| - Others | 3,667.76 | 1,053.60 | 39.16 | 30.86 | 37.10 | 4,828.48 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| **Total Trade Payables** | **3,667.76** | **1,090.21** | **39.16** | **30.86** | **37.10** | **4,865.09** |
| **As at 31 March 2025:** | | | | | | |
| - MSME | - | 1.22 | - | - | - | 1.22 |
| - Others | 1,823.22 | 1,002.02 | 50.03 | 11.53 | 29.22 | 2,916.02 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| **Total Trade Payables** | **1,823.22** | **1,003.24** | **50.03** | **11.53** | **29.22** | **2,917.24** |

(c) Supplier financing arrangement:

The Group has entered into supplier financing arrangement with various lenders via third-party platform. Pursuant to the same, the respective financial institution settles the invoices to the vendors and the Group subsequently settles the full invoice amount directly with the financial institution based on the terms of the arrangement, which ranges from 90-120 days from the invoice date. The Group does not provide any collateral or guarantees to the financial institution pursuant to this arrangement. The trade payables subject to the supplier finance arrangement, as described above, are included within trade payables in the consolidated balance sheet.

**Payment Terms:**

| Particulars | 31 March 2026 | 31 March 2025 |
|---|---|---|
| - Liabilities that are part of the arrangement | 90-120 days after invoice date | NA(*) |
| - Comparable trade payables that are not part of an arrangement. | 30-90 days after invoice date | NA(*) |

**Carrying amount of Trade Payables:**

| Particulars | 31 March 2026 | 31 March 2025 |
|---|---|---|
| - Trade payables that are part of a supplier finance arrangement | 378.49 | NA(*) |
| - Trade payables for which the suppliers have already received payment | 341.88 | NA(*) |

(*) The Group has not provided comparative information in respect of the amendments to Ind AS 7 and Ind AS 107 relating to supplier finance arrangements, as it has applied the transitional relief available on initial adoption of these amendments, which allows entities not to present comparative disclosures for prior periods

## 26 Current tax liabilities (net)

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Provision for tax (net of advance tax and taxes deducted at source amounting to ₹759.38 Crores (31 March 2025: ₹630.66 Crores)) | 118.45 | 38.37 |
| | **118.45** | **38.37** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 27 Revenue from operations

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Sale of goods | 18,069.93 | 14,966.83 |
| Sale of services | 417.53 | 95.74 |
| | **18,487.46** | **15,062.57** |
| Other operating revenues | | |
| Export incentives received | 37.93 | 32.70 |
| Other incentive and subsidy received | 4.24 | 3.26 |
| Other operating revenues | 22.58 | 60.10 |
| | **64.75** | **96.06** |
| | **18,552.21** | **15,158.63** |

**Notes:**

(a) Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:

(i) Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Sale of goods and services | 18,498.34 | 15,075.83 |
| Less: Variable consideration | 10.88 | 13.26 |
| | **18,487.46** | **15,062.57** |

(ii) Disaggregated revenue information:

- Revenue by product lines and others:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| TMT and long products | 3,358.16 | 3,201.11 |
| Wire rod | 2,835.13 | 2,721.98 |
| Sponge iron | 1,840.24 | 2,300.27 |
| Colour coating & Galvanized coil/ sheet | 1,288.26 | - |
| TMT bars | 1,056.31 | 1,046.35 |
| Pellet | 888.24 | 544.61 |
| Ferro products | 821.90 | 618.84 |
| Aluminium foil | 731.15 | 630.05 |
| Others | 5,668.07 | 3,999.36 |
| **Total** | **18,487.46** | **15,062.57** |

- Revenue by geography:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| India | 16,678.02 | 13,453.07 |
| Outside India | 1,809.44 | 1,609.50 |
| **Total** | **18,487.46** | **15,062.57** |

(iii) The following table provides information about receivables, contract asset and contract liabilities from contracts with customers:-

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Receivables which are included in Trade receivables (Refer note 12) | 904.59 | 792.51 |
| Contract liabilities (Advance from customers) (Refer note 25) | 125.71 | 120.85 |





(iv) Performance Obligation

The majority of the Group's revenue is derived from selling goods, with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

The Group has a credit evaluation policy based on which the credit limits for the trade receivables are established. The amounts receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers. The Group does not provide performance warranty for products, therefore there is no liability towards performance warranty. The amount of revenue that will be recognised in future period on the contract for supply of goods whose performance obligation will be satisfied over the next 12 months amounts to ₹169.57 crores for 31 March 2026 (31 March 2025: ₹57.17 crores)

## 28 Other Income

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Interest received on financial assets carried at amortised cost: | | |
| - Deposits | 2.18 | 2.15 |
| - Loans | 6.22 | 18.45 |
| - Interest income on financial assets carried at amortised cost | 95.85 | 104.76 |
| Net gain on financial instruments measured at fair value through profit or loss | 56.44 | 92.79 |
| Dividend income | 3.03 | 0.86 |
| Sundry balances written back | 20.82 | 2.13 |
| Insurance claim received | 7.21 | 0.99 |
| Others | 11.86 | 8.50 |
| **Total** | **203.61** | **230.63** |

## 29 Cost of materials consumed

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Inventories as at the beginning of the year | 1,413.69 | 1,137.94 |
| Add: Purchase of raw materials | 14,791.83 | 11,612.47 |
| | **16,205.52** | **12,750.41** |
| Less: Inventories as at the end of the year | 2,525.37 | 1,413.69 |
| | **13,680.15** | **11,336.72** |

## 30 Changes in inventories of finished goods, work-in-progress, stock-in-trade and by-products

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Opening Stock** | | |
| Finished goods | 962.65 | 626.62 |
| Work-in-progress | 2.54 | 1.03 |
| Stock-in-trade | 5.91 | 4.22 |
| By-Products | 238.79 | 176.90 |
| | **1,209.89** | **808.77** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Closing Stock** | | |
| Finished goods | 1,307.41 | 962.65 |
| Work-in-progress | 12.18 | 2.54 |
| Stock-in-trade | 6.18 | 5.91 |
| By-Products | 357.87 | 238.79 |
| | **1,683.64** | **1,209.89** |
| **(Increase) / Decrease in Inventories** | **(473.75)** | **(401.12)** |

## 31 Employee benefits expense

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Salaries, wages and bonus | 480.30 | 401.41 |
| Contribution to provident and other funds | 18.36 | 14.43 |
| Share-based payment to employees (refer note 40) | 6.27 | 14.76 |
| Staff welfare expenses | 2.05 | 3.66 |
| **Total** | **506.98** | **434.26** |

**Notes:**

(a) During the year the Group recognised an amount of ₹12.75 Crores (31 March 2025: ₹11.84 Crores) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

**Payment to Key Managerial Personnel:**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Short-term employee benefits | 12.75 | 11.84 |
| Post-employment benefits | - | - |
| Other long-term benefits | - | - |
| **Total** | **12.75** | **11.84** |

(b) For descriptive notes on disclosure of defined benefit obligation refer note 38

## 32 Finance costs

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Interest on borrowings | 124.45 | 86.76 |
| Interest on lease liabilities | 2.40 | 0.92 |
| Other borrowing costs | 65.38 | 56.24 |
| **Total** | **192.23** | **143.92** |

## 33 Depreciation and amortisation expense

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Depreciation on property, plant and equipment - Owned assets (refer note 2) | 846.66 | 700.47 |
| Depreciation on right-of-use assets (refer note 3) | 5.72 | 2.06 |
| Amortisation of other intangible assets (refer note 5) | 29.77 | 8.64 |
| **Total** | **882.15** | **711.17** |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 34 Impairment loss on financial assets

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Allowance for expected credit loss on Trade Receivables | 5.47 | (1.18) |
| Provision for subsidy and incentive receivable | 1.56 | 3.78 |
| **Total** | **7.03** | **2.60** |

## 35 Other expenses

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Rent and hire charges | 75.33 | 56.21 |
| Rates and taxes | 25.65 | 22.16 |
| Power, fuel and electricity expenses | 599.64 | 547.97 |
| Consumption of stores and spares parts | 575.11 | 585.84 |
| Repairs and maintenance: | | |
| - Buildings | 35.80 | 21.85 |
| - Plant and machinery | 13.32 | 13.51 |
| - Others | 20.91 | 15.17 |
| Insurance | 16.03 | 23.55 |
| Commission and brokerage | 30.99 | 26.07 |
| Advertisement and publicity expenses | 29.43 | 13.04 |
| Legal and professional fees | 62.73 | 40.17 |
| Charity and donations | 1.10 | 2.07 |
| Labour charges | 336.04 | 286.80 |
| Freight and forwarding expenses | 217.85 | 133.87 |
| Profit on sale of Property, Plant and Equipment | 0.16 | - |
| Auditors' fees | 1.31 | 1.14 |
| Corporate social responsibility | 21.62 | 33.03 |
| Sundry balances written off | 4.07 | 1.71 |
| Foreign exchange fluctuations (net) | 198.34 | 5.38 |
| Miscellaneous expenses | 87.15 | 85.22 |
| **Total** | **2,352.58** | **1,914.76** |

## 36 Tax expenses

### (a) Income tax expense charged to the Statement of Profit or Loss:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Current tax | 403.86 | 237.43 |
| Prior year taxes | 4.06 | - |
| Deferred tax charge | (5.72) | 94.50 |
| | **402.20** | **331.93** |

### (b) Income tax expense charged to OCI

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Tax on Fair value measurement of equity instrument carried at FVOCI | (0.61) | (0.22) |
| Net loss/(gain) on remeasurements of defined benefit plans | 1.62 | 0.50 |
| | **1.01** | **0.28** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

### (c) Reconciliation of tax charge

Indian companies are subject to income tax in India on the basis of their financial statements. Companies can claim tax exemptions/deductions under specific sections of the Income-tax Act, 1961 ('the Act') subject to fulfilment of prescribed conditions as may be applicable to them respectively. The Holding Company and some of its Indian subsidiaries has opted for the new tax regime under Section 115BAA of the Act, which provides a domestic Company with an option to pay tax at the rate of 22% (effective rate of 25.168%). The lower rate is applicable subject to certain conditions specified therein and consequently some of the Companies within the Group are still continuing to pay taxes under the erstwhile regime at the rate of 30% (effective rate of 34.94%).

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Profit before tax | 1,462.37 | 1,241.19 |
| Tax Rate | 25.17% | 25.17% |
| Income tax expense at tax rates applicable | 368.05 | 311.76 |
| **Tax effects of:** | | |
| Effect of allowances and inadmissible expenses under Income Tax Act, 1961 | 13.04 | 4.21 |
| Deduction under section 80JJA, 80IA and 80G under Income Tax Act, 1961 | (4.08) | (1.44) |
| Differential tax rate for capital gains on investments | 2.46 | (1.36) |
| Prior year taxes | 4.06 | - |
| Income exempted from tax | - | (0.36) |
| Other adjustments | 18.67 | 19.12 |
| **Tax expense as per Statement of Profit and Loss** | **402.20** | **331.93** |

### (d) The following tables provides the details of income-tax assets and current tax liabilities:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Non-current tax assets (refer note 8) | 170.57 | 167.10 |
| Current tax liabilities (refer note 26) | 118.45 | 38.37 |
| **Net position (Tax assets)** | **52.12** | **128.73** |

## 37 Earnings per equity share

The Groups's Earnings Per Share (EPS) is determined based on the net profit / (loss) attributable to the shareholders of the group. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that particular year including share options, except where the result would be anti-dilutive.

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Net Profit attributable to equity shareholders** | 1,060.17 | 909.26 |
| Nominal value of equity shares (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares for basic EPS | 27,82,39,026 | 27,80,42,824 |
| **Effects of dilution:** | | |
| - Stock options | 9,53,834 | 10,89,029 |
| Weighted average number of equity shares adjusted for the effect of dilution | 27,91,92,860 | 27,91,31,853 |
| Basic earnings per equity share (₹) | 38.10 | 32.70 |
| **Diluted earnings per equity share (₹)** | **37.97** | **32.57** |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 38 Employee benefits

### (a) Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident and Pension Fund for the year aggregated to ₹18.36 crores. (31 March 2025: ₹14.43 crores)

### (b) Defined benefit plans

The Group operates one post-employment defined benefit plan (i.e., gratuity). The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days basic salary for each year of completed service at the time of retirement/exit. Gratuity scheme is not funded by any plan assets.

**Inherent risk**

The plan is defined benefit in nature which is sponsored by the Group and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Group, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

#### (i) Changes in defined benefit obligation

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Present value of obligation as at the beginning of the year | 32.44 | 22.48 |
| Interest cost | 2.07 | 2.12 |
| Current service cost | 7.35 | 6.53 |
| Past service cost | 6.29 | - |
| Benefits paid | (2.24) | (2.29) |
| Actuarial loss/(gain) on obligations | (6.31) | 3.60 |
| **Present value obligation as at the end of the year** | **39.60** | **32.44** |

#### (ii) Breakup of actuarial gain/loss:

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Actuarial (gain)/loss arising from change in financial assumption | (2.89) | 2.51 |
| Actuarial (gain)/loss arising from experience adjustment | (3.42) | 1.09 |

#### (iii) Reconciliation of present value of defined benefit obligation and the fair value of plan assets

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Present value obligation as at the end of the year | | |
| - Non-current | 37.72 | 31.11 |
| - Current | 1.88 | 1.33 |
| Fair value of plan assets as at the end of the year | - | - |
| | **39.60** | **32.44** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(iv) Amount recognized in the Statement of Profit and Loss**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Current service cost | 7.35 | 6.53 |
| Interest cost | 2.07 | 2.12 |
| Past service cost | 6.29 | - |
| Benefits paid | (2.24) | (2.29) |
| | **13.47** | **6.36** |

**(v) Amount recognized in the statement of Other Comprehensive Income**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Actuarial gain/(loss) for the year on planned benefit obligations | (6.31) | 3.60 |
| | **(6.31)** | **3.60** |

**(vi) Principal actuarial assumptions at the reporting date**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Discount rate | 7.33% p.a. | 6.65% - 7.10% p.a. |
| Future salary growth (%) | 5.50% - 6% p.a. | 5.50% - 6% p.a. |
| Retirement age (years) | 58.00 | 58.00 |
| Expected average remaining working life of employee (years) | 20.92 | 21.36 |

**Note:** These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**(vii) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would change the defined benefit obligation to the amounts shown below:

| Particulars | 31 March 2026 | | 31 March 2025 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | 36.00 | 43.80 | 29.17 | 35.93 |
| Future salary growth (1% movement) | 43.53 | 36.15 | 35.81 | 29.21 |

**(viii) Expected maturity analysis of the defined benefit plans in future years**

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Principal actuarial assumptions at the reporting date (expressed as weighted averages): | | |
| 1 year | 2.05 | 1.33 |
| Between 2-5 years | 9.24 | 7.38 |
| Between 6-10 years | 9.63 | 7.33 |
| | **20.92** | **16.04** |

**Note:** The weighted average duration of the defined benefit plan obligations at the end of the reporting period is 5.16 years (31 March 2025- 5.30 years)



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(ix) Description of risk exposures**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

| Risk | Description |
|---|---|
| Market risk (interest rate) | Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date |
| Longevity risk | The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material |
| Future salary increase risk | Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected |
| Demographic risk | If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the Company and the financials assumptions |
| Regulatory risk | Any changes to the current Regulations by the Government, will increase (in most cases) or decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly |

## 39 Share-based payments

**(a) Describtion of share-based payment arrangements:**

The Holding Company instituted the SMEL Performance Scheme (ESOP 2023) on 25 September 2023 and SMEL Loyalty Scheme on 27 September 2023 which were approved by the Board of Directors and the shareholders of the Holding Company. In accordance to the scheme the Holding Company has granted 5,50,698 options to the employees of the Holding Company and 5,42,041 options to the employees of its wholly owned subsidiary company, Shyam Sel and Power Limited. The Plan enables grant of stock options to the eligible employees of the Holding Company and its subsidiaries. Further, the stock options to any single employee under the Plan shall not exceed 1% of the issued capital of the Holding Company, at the time of grant of options, during the tenure of the Plan, subject to compliance with applicable law. The options granted under the Plan have a maximum vesting period of 4 years. The cost of options granted to the employees of the Subsidiary Company are recorded in accordance with Ind AS 102 Share-based payments, and is subsequently reimbursed to the Holding Company by its Subsidiary Company.

| Particulars | SMEL performance scheme | | | Scheme II - SMEL loyalty scheme |
|---|---|---|---|---|
| Grant date | 25 September 2023 | 27 September 2023 | 29 August 2025 | 27 September 2023 |
| Vesting conditions | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a three-year period, with 40.0%, 30.0% and 30.0% of the grants vesting in each year, respectively. |
| Number of eligible employees | 62 | 1 | 5 | 5 |
| Average fair value (₹ per option) | 268.18 | 283.67 | 533.6 | 263.38 |
| Exercise price (₹ per option) | 326.00 | 331 | 679.43 | 221.00 |
| Method of valuation | Black-Scholes Model | Black-Scholes Model | Black-Scholes Model | Black-Scholes Model |
| Expected life (years) | 4 | 4 | 4 | 3 |
| Average expected volatility (%) | 48.62% | 47.90% | 33.31% | 26.50% |
| Dividend yield (%) | 0.82% | 0.82% | 0.58% | 0.82% |
| Risk free rate of return (%) | 7.29% | 7.29% | 6.59% | 7.29% |

**Note:** Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## (b) Reconciliation of outstanding share options

| Particulars | SMEL performance scheme | | Scheme II - SMEL loyalty scheme | | Total Options |
|---|---|---|---|---|---|
| | Number of share options | Weighted average price (₹ per option) | Number of share options | Weighted average price (₹ per option) | Number of share options |
| **Year ended 31 March 2026** | | | | | |
| **- Employees of Shyam Metalics and Energy Limited:** | | | | | |
| Outstanding options at the beginning of the year | 3,82,661 | 268.73 | 72,600 | 263.38 | 4,55,261 |
| Add: Granted during the year | 59,500 | 533.60 | - | - | 59,500 |
| Less: Exercised during the year | 1,500 | - | 36,300 | - | 37,800 |
| Less: Lapsed/forfeited during the year | 1,39,012 | - | - | - | 1,39,012 |
| **Outstanding options at the end of the year** | **3,01,649** | **401.17** | **36,300** | **263.38** | **4,17,461** |
| **Options vested and exercisable at the end of the year 31 March 2026** | **1,15,090** | **401.17** | **18,150** | **260.71** | **1,33,240** |
| **- Employees of Shyam Sel and Power Limited:** | | | | | |
| Outstanding options at the beginning of the year | 3,95,883 | 268.18 | 57,000 | 263.38 | 4,52,883 |
| Add: Granted during the year | 45,000 | 533.60 | - | - | 45,000 |
| Less: Exercised during the year | 3,750 | - | 21,600 | - | 25,350 |
| Less: Lapsed/forfeited during the year | 1,05,662 | - | 13,800 | - | 1,19,462 |
| **Outstanding options at the end of the year** | **3,31,471** | **400.89** | **21,600** | **263.38** | **3,53,071** |
| **Options vested and exercisable at the end of the year 31 March 2026** | **1,34,774** | **400.89** | **10,800** | **263.38** | **1,45,574** |

| Particulars | SMEL performance scheme | | Scheme II - SMEL loyalty scheme | | Total Options |
|---|---|---|---|---|---|
| | Number of share options | Weighted average price (₹ per option) | Number of share options | Weighted average price (₹ per option) | Number of share options |
| **Year ended 31 March 2025** | | | | | |
| **- Employees of Shyam Metalics and Energy Limited:** | | | | | |
| Outstanding options at the beginning of the year | 4,29,698 | 275.93 | 1,21,000 | 263.38 | 5,50,698 |
| Add: Granted during the year | - | - | - | - | - |
| Less: Exercised during the year | 47,037 | - | 48,400 | - | 95,437 |
| Less: Lapsed/forfeited during the year | - | - | - | - | - |
| **Outstanding options at the end of the year** | **3,82,661** | **275.93** | **72,600** | **263.38** | **4,55,261** |
| **Options vested and exercisable at the end of the year 31 March 2025** | 1,35,355 | 275.93 | 66,550 | 260.71 | 2,01,905 |
| **- Employees of Shyam Sel and Power Limited:** | | | | | |
| Outstanding options at the beginning of the year | 4,47,041 | 268.18 | 95,000 | 263.38 | 5,42,041 |
| Add: Granted during the year | - | | - | - | - |
| Less: Exercised during the year | 51,158 | - | 38,000 | - | 89,158 |
| Less: Lapsed/forfeited during the year | - | - | - | - | - |
| **Outstanding options at the end of the year** | **3,95,883** | **268.18** | **57,000** | **263.38** | **4,52,883** |
| **Options vested and exercisable at the end of the year 31 March 2025** | **1,40,818** | **268.18** | **1,18,800** | **263.38** | **2,59,618** |

**(c)** Amount recognised in the Consolidated Statement of Profit and Loss for the year ended 31 March 2026 amounts to ₹6.27 crores (31 March 2025: ₹14.76 crores).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 40 Commitments and contingent liabilities

### (a) Capital commitments

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 1,172.87 | 445.08 |
| | **1,172.87** | **445.08** |

**(b)** As at 31 March 2026 the Company has commitments of ₹507.50 crores (31 March 2025 - ₹194.48 crores) relating to further investments into various alternate investment funds.

### (c) Contingent liabilities

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| **Claims against the Group not acknowledged as debt:** | | |
| - Excise Duty, Service Tax and Goods and service tax | 138.37 | 124.57 |
| - Custom Duty | 14.75 | 14.53 |
| - Central Sales Tax/Value added tax | 15.02 | 13.41 |
| - Income Tax | 4.94 | 20.34 |
| - Electricity duty (net of protest payment of ₹6.57 crores) | - | 54.17 |
| - Others | - | 2.07 |
| **Other money for which the Group is contingently liable:** | - | - |
| Unredeemed bank guarantees | 226.91 | 52.08 |
| Bills receivable discounted with banks | 323.39 | 278.35 |
| | **723.38** | **559.52** |

**Notes:**

(a) In the ordinary course of business, the Group faces claims and assertions by various authorities. The Management of the Holding Company and entities within the group assesses such claims and assertions and monitors the legal environment on an on-going basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

(b) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect to the above pending resolution of the respective proceedings. The management of the Group remains fairly confident of a favorable outcome and therefore, does not foresee any material financial liability devolving on the Group and accordingly, no provision has been made in these consolidated financial statement.

(c) The amounts disclosed above represent the best possible estimates arrived at on the basis of available information.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 41 Related party disclosures (as per Ind AS 24 - Related Party Disclosures)

### A. List of related parties and their relationship

| Nature of relation | Name of related parties |
|---|---|
| Associates | Meghana Vyapar Private Limited |
| | Kolhan Complex Private Limited |
| | Emerge Solar Projects Private Limited (w.e.f 14 August 2025) |
| Joint Venture | MJSJ Coal Limited |
| | Kalinga Energy Private Limited |
| Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions/ balance during the year | Dorite Tracon Private Limited |
| | Sygma Tubes and Pipes Limited |
| | Shyam Solar Appliance Private Limited |
| | Narantak Dealcomm Limited |
| | Shyam Ferro Alloys Limited |
| | Subham Buildwell Private Limited |
| | Toplight Mercantiles Private Limited |
| | Kalpataru Housefin & Trading Private Limited |
| | Subham Capital Private Limited |
| | Kalinga Energy & Private Limited |
| | Shyam Metalics Foundation |
| | SMEL Security Services Private Limited |
| | SMEL Industrial Park Private Limited |
| | Star Cement Limited |
| | Salagram Power and Steel Private Limited |
| | Star Metal Works Private Limited |
| | Elysian Beautification Private Limited |
| | Shyam Minmet Private Limited |
| | Essel Plywood Private Limited |
| | Improved Realtors Private Limited |
| | Kalinga Infra-Projects Limited |
| | Meghana Vyapaar Private Limited |
| | Singhbhum Steel & Power Private Limited |
| | Suhag Overseas Trading Private Limited |
| | Gajrup Commodities Private Limited |
| | Goodlook Infracon Private limited |
| | Gumla Aluminium Private Limited |
| | Sumitra Devi Agarwal Family Trust |
| | Brij Bhushan Agarwal & Sons HUF |
| | Brij Bhushan Agarwal Family Trust |
| | Mahabir Prasad Agarwal & Sons HUF |
| | Mahabir Prasad Agarwal Family Trust |

NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Nature of relation | Name of related parties |
|---|---|
| Key management personnel | **Holding Company** |
| | Mr. Mahabir Prasad Agarwal (Redesignated Chairman Emeritus w.e.f 09 May 2025) |
| | Mr. Brij Bhushan Agarwal (Redesignated as Chariman & Managing Director w.e.f 10 May 2025) |
| | Mr. Sanjay Kumar Agarwal (Joint Managing Director) |
| | Mr. Dev Kumar Tiwari (Whole Time Director) |
| | Mr. Deepak Agarwal (Whole Time Director and Chief Financial Officer) |
| | Mr. Yudhvir Singh Jain (Independent Director) (upto 24 October 2024) |
| | Mr. Kishan Gopal Baldwa (Independent Director) |
| | Mr. Nand Gopal Khaitan (Independent Director) |
| | Mr. Sheetij Agarwal (Wholetime Director) |
| | Ms. Shashi Kumar (Independent Director) |
| | Mr. Malay Kumar De (Independent Director) |
| | Mrs. Rajni Mishra (Independent Director) |
| | Mr. Chandra Shekhar Verma (Independent Director) (w.e.f. 4 July 2024) |
| | Mr. Subrata Bhattacharya (Independent Director) (w.e.f. 01 February 2026) |
| | Mr. Birendra Kumar Jain (Company Secretary) |
| | Shyam Sel & Power Limited (Other than those, who are in common with the Holding Company) |
| | Mr. Bajrang Lal Agarwal (Redesignated as Non-Executive Director w.e.f 8 December 2025) |
| | Mr. Ajay Choudhury (Independent Director) |
| | Mrs. Kiran Vimal Agarwal (Non-executive Director) |
| | Mr. Ashok Kumar Jaiswal (Independent Director) |
| | Mr. Sumit Chakraborty (Ceased to be Whole Time Director w.e.f. 1 April 2025) |
| | Mr. Raj kumar Gupta (Chief Financial Office w.e.f. 9 January 2025) |
| | Mr. Abhishek Jalan (Chief Financial Officer upto 09 January 2025) |
| | Mr. Bikram Munka (Whole-time Director) |
| | Mr. Rahul Gadodia (Wholetime Director) |
| | Mr. Chandan Sharma (Company Secretary of SSPL) |
| Relatives of Key Management Personnel | Mrs. Sumitra Devi Agarwal - Wife Of Shri Mahabir Prasad Agarwal |
| | Mrs. Kiran Vimal Agarwal- Daughter of Mr. Mahabir Prasad Agarwal |
| | Mrs. Anita Jhunjhunwala - Daughter Of Mr. Mahabir Prasad Agarwal |
| | Mrs. Sangeeta Agarwal - Daughter Of Mr. Mahabir Prasad Agarwal |
| | Mrs. Mittu Agarwal - Wife Of Mr. Brij Bhushan Agarwal |
| | Mr. Mahabir Prasad Agarwal - Father Of Mr. Brij Bhushan Agarwal |
| | Mr. Sheetij Agarwal - Son Of Mr. Brij Bhushan Agarwal |
| | Mr. Shubham Agarwal - Son Of Mr. Brij Bhusan Agarwal |
| | Mr. Bajrang Lal Agarwal - Father Of Mr. Sanjay Kumar Agarwal |
| | Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal |
| | Mrs. Bina Devi Agarwal - Mother Of Mr. Sanjay Kumar Agarwal |
| | Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal |
| | Mrs. Vandana Dujari - Wife of Mr. Shree Kumar Dujari |
| | Mrs. Sangeeta Tiwari - Wife of Mr. Dev kumar Tiwari |
| | Mr. Suman Agarwal - Wife of Mr. Deepak Agarwal |
| | Mrs. Binu Jain - Wife of Mr. Birendra Kumar Jain |
| | Mrs. Sarika Munka wife of Mr. Bikram Munka |
| | Mrs. Savitri Devi Munka mother of Mr. Bikram Munka |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Nature of relation | Name of related parties |
|---|---|
| Relatives of Key Management Personne | Mr. Rahul Kumar Son of Mr. Shashi Kumar |
| | Mr. Rakesh Kumar Son of Mr. Shashi Kumar |
| | Mr. Arvind Kumar Son of Mr. Shashi Kumar |
| | Mrs. Tanishi Agarwal - Daughter of Brij Bhushan Agarwal |
| | Mrs. Shilpa Jain - Daughter of Bajrang Lal Agarwal |
| | Mrs. Aadhya Agarwal - Daughter of Sanjay Kumar Agarwal |
| | Mrs. Varsha Kejriwal - Daugher of Bajrang Lal Agarwal |
| | Mrs. Vanshika Agarwal - Wife of Sheetij Agarwal |
| | Ms. Sauni Gadodia Daughter fo Mr. Rahul Gadodia |
| | Mrs. Nupur Gadodia wife of Mr. Rahul Gadodia |
| | Mr. Vimal Gadodia father of Mr. Rahul Gadodia |
| | Mrs. Sanchita Chakraborty wife of Mr. Sumit Chakraborty |
| | Mrs. Shashi Sharma mother of Mr. Chandan Sharma |
| | Mrs. Kajal Sharma wife of Mr. Chandan Sharma |

**Terms and conditions of transactions with related parties:**

Disclosure of Related Party Transactions provides information about the Group's structure. The following tables provide the total amount of transactions that have been entered into with related parties for the relevant financial year.

The sales and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash. As at 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

| Type of Transactions | Enterprises over which Key Management Personnel and / or their relatives have significant influence | | Key Management Personnel | | TOTAL | |
|---|---|---|---|---|---|---|
| | For the year ended | | For the year ended | | For the year ended | |
| | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 |
| **Transactions during the year:** | | | | | | |
| Sale of goods | 3.07 | - | - | - | 3.07 | - |
| Purchase of goods | 0.02 | - | - | - | 0.02 | - |
| Expenditure on Corporate social responsibility | 1.25 | 6.75 | - | - | 1.25 | 6.75 |
| Remuneration to key managerial personnel(*) | - | - | 12.75 | 11.84 | 12.75 | 11.84 |
| Director sitting fees | - | - | 0.22 | 0.29 | 0.22 | 0.29 |
| Advance to employees (given) | - | - | 1.50 | - | 1.50 | - |
| Advance to employees (recovered) | - | - | 0.66 | - | 0.66 | - |
| Advances given | 0.97 | 4.57 | - | - | 0.97 | 4.57 |
| Advances received | 0.04 | 1.29 | - | - | 0.04 | 1.29 |
| Dividend paid | 84.34 | 103.06 | - | - | 84.34 | 103.06 |
| **Balances as at the end of the year:** | | | | | | |
| Advances to empoyees | - | - | 3.79 | 2.94 | 3.79 | 2.94 |
| Trade Receivables | 6.50 | 2.99 | - | - | 6.50 | 2.99 |

(*)This does not include amounts in respect of gratuity and compensated absences as the same are determined on actuarial basis for the Group as a whole.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 42 Financial instruments – Fair values and risk management

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

| Particulars | Note No. | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **As at 31 March 2026** | | | | | | | | | |
| **Financial Assets** | | | | | | | | | |
| Investment in equity shares | 6 | - | 353.73 | - | 353.73 | 4.94 | - | 348.79 | 353.73 |
| Investments in Bonds/ Debentures/mutual funds | 6 | 186.65 | - | 275.56 | 462.21 | 186.65 | - | - | 186.65 |
| Investments in AIF | 6 | 762.47 | - | - | 762.47 | - | - | 762.47 | 762.47 |
| Investment in Government Securities | 6 | - | - | 0.10 | 0.10 | - | - | - | - |
| Trade receivables | 11 | - | - | 904.59 | 904.59 | - | - | - | - |
| Loans | 14 | - | - | 3.66 | 3.66 | - | - | - | - |
| Cash and cash equivalents | 12 | - | - | 97.12 | 97.12 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 13 | - | - | 8.54 | 8.54 | - | - | - | - |
| Other financial asset | 7 and 15 | - | - | 95.65 | 95.65 | - | - | - | - |
| | | **949.12** | **353.73** | **1,385.22** | **2,688.07** | **191.59** | **-** | **1,111.26** | **1,302.85** |
| **Financial Liabilities** | | | | | | | | | |
| Borrowings | 19 | - | - | 981.32 | 981.32 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 23.75 | 23.75 | - | - | - | - |
| Trade payable | 25 | - | - | 4,865.09 | 4,865.09 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 1,138.46 | 1,138.46 | - | - | - | - |
| | | **-** | **-** | **7,008.62** | **7,008.62** | **-** | **-** | **-** | **-** |
| **As at 31 March 2025** | | | | | | | | | |
| **Financial Assets** | | | | | | | | | |
| Investment in equity shares | 6 | - | 371.86 | - | 371.86 | 19.55 | - | 352.31 | 371.86 |
| Investments in Bonds/ Debentures/mutual funds | 6 | 668.96 | - | 715.80 | 1,384.76 | 668.96 | - | - | 668.96 |
| Investments in AIF | 6 | 357.70 | - | - | 357.70 | - | - | 357.70 | 357.70 |
| Investment in Government Securities | 6 | - | - | 0.10 | 0.10 | - | - | - | - |
| Trade receivables | 11 | - | - | 792.51 | 792.51 | - | - | - | - |
| Loans | 14 | - | - | 3.69 | 3.69 | - | - | - | - |
| Cash and cash equivalents | 12 | - | - | 63.13 | 63.13 | - | - | - | - |
| Bank balances other than cash and cash equivalents | 13 | - | - | 5.12 | 5.12 | - | - | - | - |
| Other financial asset | 7 and 15 | - | - | 73.90 | 73.90 | - | - | - | - |
| | | **1,026.66** | **371.86** | **1,654.25** | **3,052.77** | **688.51** | **-** | **710.01** | **1,398.52** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note No. | Carrying amount FVTPL | FVTOCI | Amortized Cost | Total | Fair value Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Financial Liabilities** | | | | | | | | | |
| Borrowings | 19 | - | - | 779.46 | 779.46 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 9.97 | 9.97 | - | - | - | - |
| Trade payable | 25 | - | - | 2,917.24 | 2,917.24 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 766.85 | 766.85 | - | - | - | - |
| | | **-** | **-** | **4,473.52** | **4,473.52** | **-** | **-** | **-** | **-** |

## B. Fair value hierarchy

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing 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 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

## C. Fair value measurements

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Investments carried at fair value are generally based on market price quotations. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(iii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorized as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorized as level 2 in the fair value hierarchy.

(iv) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(v) There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2026 and 31 March 2025.

## D. Risk management framework

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include investments, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. This financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk, and
- Market risk



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates. The Group is carrying its borrowings primarily at variable rate. The Group expects the variable rate to decline, accordingly the Group is currently carrying its loans at variable interest rates.

| Particulars | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|---|---|
| Variable rate borrowings | 785.52 | 529.50 |
| Fixed rate borrowings | 195.80 | 249.96 |

**Interest rate sensitivity analysis**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Group's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | Effect on Profit before tax | |
|---|---|---|
| | Year ended 31 March 2026 | Year ended 31 March 2025 |
| Increase by 50 basis points (31 March 2025: 50 bps) | (3.93) | (2.65) |
| Decrease by 50 basis points (31 March 2025: 50 bps) | 3.93 | 2.65 |

#### b) Foreign currency risks

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Group is exposed to exchange rate risk under its trade and debt portfolio. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Group's overall debt position in Rupee terms without the Group having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Group's receivables in foreign currency.

| Nature of Item | Currency | Year ended 31 March 2026 Value In Foreign Currency | Value In ₹ | Year ended 31 March 2025 Value In Foreign Currency | Value In ₹ |
|---|---|---|---|---|---|
| **Naturally hedged foreign currency exposure** | | | | | |
| **Financial assets:** | | | | | |
| Trade receivables | USD ($) | 2,63,24,566 | 249.17 | 2,56,91,094 | 219.87 |
| Trade receivables | EURO (€) | 33,61,351 | 36.64 | 49,35,094 | 45.07 |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Nature of Item | Currency | Year ended 31 March 2026 | | Year ended 31 March 2025 | |
|---|---|---|---|---|---|
| | | Value In Foreign Currency | Value In ₹ | Value In Foreign Currency | Value In ₹ |
| **Financial liabilities:** | | | | | |
| Trade payables | USD ($) | 2,63,24,566 | 249.17 | 2,56,91,094 | 219.87 |
| Trade payables | EURO (€) | - | - | 2,31,455 | 2.13 |
| Interest accrued but not due on borrowings | EURO (€) | 5,601 | 0.06 | 18,907 | 0.17 |
| Foreign Currency Loan from banks | EURO (€) | 21,89,659 | 23.87 | 27,79,963 | 25.67 |
| Creditors for capital goods | EURO (€) | 11,66,090 | 12.71 | 19,04,768 | 17.10 |
| **Net exposure in naturally hedged foreign currency (*)** | | - | - | - | - |
| **Unhedged Foreign Currency Exposure** | | | | | |
| **Financial assets:** | | | | | |
| Trade receivables | EURO (€) | 40,66,120 | 44.32 | 7,47,126 | 7.39 |
| **Financial liabilities:** | | | | | |
| Trade payables | USD ($) | 11,81,61,281 | 1,118.45 | 9,61,21,081 | 825.04 |
| Trade payables | CNY (¥) | - | - | 5,279 | 0.01 |
| Trade payables | SGD ($) | - | - | 33,384 | 0.21 |
| Trade payables | AED | 3,41,54,064 | 88.01 | 2,33,45,728 | 54.60 |
| Trade payables | EURO (€) | - | - | 92,63,160 | 85.52 |
| Foreign Currency Loan from banks | EURO (€) | 76,63,805 | 83.54 | | |
| Interest accrued but not due on borrowings | USD ($) | 14,97,567 | 14.18 | 23,73,663 | 20.32 |
| Interest accrued but not due on borrowings | EURO (€) | - | - | 14,610 | 0.13 |
| Interest accrued but not due on borrowings | CNY (¥) | 4,61,778 | 0.63 | 5,46,235 | 0.64 |
| Interest accrued but not due on borrowings | AED | 4,99,253 | 1.29 | 1,14,128 | 0.27 |
| Capital creditors | USD ($) | 5,20,93,923 | 493.09 | 4,49,79,505 | 423.63 |
| Capital creditors | CNY (¥) | 1,66,66,915 | 23.32 | 2,29,84,888 | 27.05 |
| Capital creditors | EURO (€) | - | - | 3,47,653 | 3.21 |
| **Net exposure in unhedged foreign currency (*)** | | | **1,778.18** | | **1,433.24** |

(*)In accordance with Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022, natural hedge shall mean a hedge arising out of the operations of the Company when cash flows offset the risk arising out of the Foreign Currency exposure (FCE). An exposure shall be considered as naturally hedged only if the offsetting exposure has the maturity / cash flow within the same accounting year.



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities:

| Particulars | Effect on Profit/(Loss) before tax | |
|---|---|---|
| | Year ended 31 March 2026 | Year ended 31 March 2025 |
| **USD Sensitivity** | | |
| Increase by 5% (31 March 2023 - 5%) | (81.29) | (63.45) |
| Decrease by 5% (31 March 2023 - 5%) | 81.29 | 63.45 |
| **EUR Sensitivity** | | |
| Increase by 5% (31 March 2023 - 5%) | (1.96) | (4.07) |
| Decrease by 5% (31 March 2023 - 5%) | 1.96 | 4.07 |
| **CNY Sensitivity** | | |
| Increase by 5% (31 March 2023 - 5%) | (1.20) | (1.39) |
| Decrease by 5% (31 March 2023 - 5%) | 1.20 | 1.39 |
| **SGD Sensitivity** | | |
| Increase by 5% (31 March 2025 - 5%) | - | (0.01) |
| Decrease by 5% (31 March 2025 - 5%) | - | 0.01 |
| **AED Sensitivity** | | |
| Increase by 5% (31 March 2024 - 5%) | (4.47) | (2.74) |
| Decrease by 5% (31 March 2024 - 5%) | 4.47 | 2.74 |

**(B) Credit risk**

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The carrying value of these specific financial assets represents the maximum credit risk. The maximum exposure to credit risk has been disclosed under note 43, being the total carrying value of investments, other financial assets, trade receivables, cash and bank balances (including deposits) and loans.

**(i) Trade receivables**

Customer credit risk is managed by each business location subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 12. The Group does not hold collateral as security.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made only with approved counterparties. The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is the carrying amount as illustrated in note 42.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**(C) Liquidity risk**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group monitors its risk of a shortage of funds by estimating the future cash flows. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments -

| Particulars | Carrying Amount | Up to 1 year | 1 to 2 years | 2 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|---|
| **As at 31 March 2026** | | | | | | |
| Contractual maturities of borrowings | 981.32 | 896.30 | 24.68 | 60.34 | - | 981.32 |
| Contractual maturities of lease obligations | 23.75 | 3.90 | 3.19 | 8.51 | 54.28 | 69.89 |
| Contractual maturities of other financial liabilities | 1,138.46 | 1,064.72 | 9.21 | 64.53 | - | 1,138.46 |
| Contractual maturities of trade payables | 4,865.09 | 4,865.09 | - | - | - | 4,865.09 |
| **As at 31 March 2025** | | | | | | |
| Contractual maturities of borrowings | 779.46 | 624.26 | 83.56 | 61.53 | 10.11 | 779.46 |
| Contractual maturities of lease obligations | 9.47 | 1.60 | 1.60 | 2.26 | 39.01 | 44.47 |
| Contractual maturities of other financial liabilities | 768.99 | 685.72 | 13.64 | 67.49 | - | 766.85 |
| Contractual maturities of trade payables | 2,917.24 | 2,917.24 | - | - | - | 2,917.24 |

## 43 Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group. The Holding Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings and issue of non-convertible debt securities. The Holding Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

| Particulars | | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| Borrowings (refer note 19) | | 981.32 | 779.46 |
| Lease liabilities (refer note 20) | | 23.75 | 9.97 |
| Trade payables (refer note 25) | | 4,865.09 | 2,917.24 |
| Less: Cash and cash equivalents (refer note 12) | | (97.12) | (63.13) |
| Less: Current investments [refer note no 6] | | (426.00) | (824.44) |
| **Net debt** | **(A)** | **5,347.04** | **2,819.10** |
| Equity share capital (refer note 17) | | 278.29 | 278.22 |
| Other equity (refer note 18) | | 11,244.52 | 10,275.11 |
| | **(B)** | **11,522.81** | **10,553.33** |
| Capital to net debt (times) | (B) / (A) | 2.15 | 3.74 |
| Gearing ratio | | 31.70% | 21.08% |



NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Notes:**

In order to achieve this overall objective, the holding company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026 and 31 March 2025.

## 44 Interest in other Entities

**(a) Subsidiaries**

The group's subsidiaries at 31 March 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly or indirectly by the Holding Company, and the proportion of ownership interests held equals the voting rights held by the Holding Company. The Country of incorporation or registration is also their principal place of business.

| Name of entity | Place of business/ country of incorporation | Ownership interest held by the group | | Ownership interest held by non-controlling interests | | Country of incorporation | Principal activities |
|---|---|---|---|---|---|---|---|
| | | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | | |
| **Subsidiary** | | | | | | | |
| Shyam Sel & Power Limited | India | 100% | 100% | 0% | 0% | India | Manufacturing of Steel |
| Shyam Metalics Employee Welfare Trust | India | 100% | 100% | 0% | 0% | India | ESOP Trust |
| **Step Down Subsidiary** | | | | | | | |
| Shyam Energy Limited | India | 87.12% | 87.12% | 12.88% | 12.88% | India | Generation of power and electricity |
| Shree Venkateshwara Electrocast Private Limited | India | 90.00% | 90.00% | 10.00% | 10.00% | India | Manufacturing of Aluminium Foil |
| Ramsarup Industries Limited | India | 60.00% | 60.00% | 40.00% | 40.00% | India | Manufacturing of Steel |
| Shyam Metalics Steel Strucural Private Limited | India | 99.90% | 99.90% | 0.10% | 0.10% | India | Manufacturing & Trading of Steel |
| Shyam Metalics International DMCC | India | 100.00% | 100.00% | 0.00% | 0.00% | UAE | Manufacturing & Trading of Steel |
| S.S. Natural Resources Private Limited | India | 60.00% | 60.00% | 40.00% | 40.00% | India | Mining and allied activities |
| Meadow Housing Private Limited | India | 71.43% | 71.43% | 28.57% | 28.57% | India | Real estate and mining activities |
| Star Metalwork Private Limited | India | 100.00% | 0.00% | 0.00% | 0.00% | India | Manufacturing of battary grade Aluminium Foil |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

| Name of entity | Place of business/ country of incorporation | Ownership interest held by the group | | Ownership interest held by non-controlling interests | | Country of incorporation | Principal activities |
|---|---|---|---|---|---|---|---|
| | | 31 March 2026 | 31 March 2025 | 31 March 2026 | 31 March 2025 | | |
| Whispering Developers Private Limited | India | 67.57% | 67.57% | 32.43% | 32.43% | India | Real estate |
| Nirjhar Commodities Private Limited | India | 51.00% | 51.00% | 49.00% | 49.00% | India | Mining activities |
| Shree Sikhar Iron & Steel Private Limited | India | 99.91% | 99.91% | 0.09% | 0.09% | India | Manufacturing of Steel |

## (b) Non-controlling interests (NCI)

The balance of non-controlling interests as at the end of the year is as below:

| Particulars | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|
| Non-controlling interests (NCI) | 834.37 | 724.75 |

Ramsarup Industries Limited, a 60% owned subsidiary of the Company, has material non-controlling interests (NCI). The NCI of all other subsidiaries that are not 100% owned by the group are not considered to be material for the consolidated financial statements of the Group.

Summarised financial information in relation to Ramsarup Industries Limited, before intra-group eliminations, is presented below:

| Summarised Balance Sheet | Ramsarup Industries Limited | |
|---|---|---|
| | 31 March 2026 | 31 March 2025 |
| Current assets | 663.06 | 201.01 |
| Non-current Assets | 2,317.63 | 1,869.97 |
| **Total assets** | **2,980.69** | **2,070.98** |
| Current Liabilities | 718.83 | 335.80 |
| Non-current Liabilities | 231.43 | 4.18 |
| **Total liabilities** | **950.26** | **339.98** |
| **Net Assets** | **2,030.43** | **1,731.00** |

| Summarised Statement of Profit or Loss | Ramsarup Industries Limited | |
|---|---|---|
| | 31 March 2026 | 31 March 2025 |
| Total Income | 646.66 | 286.12 |
| Profit / (Loss) for the year | 22.72 | 5.51 |
| **Total comprehensive income for the year, net of taxes** | **(22.56)** | **5.48** |

| Summarised Cash flows | Ramsarup Industries Limited | |
|---|---|---|
| | 31 March 2026 | 31 March 2025 |
| Cash flow from operating activities | (254.82) | 49.63 |
| Cash flow from investing activities | (323.48) | (256.48) |
| Cash flow from financing activities | 580.19 | 204.67 |
| **Net (decrease)/increase in cash and cash equivalents** | **1.89** | **(2.18)** |



# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 45 Statement of net assets and profit or loss attributable to owners and non-controlling interest

| Name of the entity in the group | Net Assets i.e. total assets minus Liabilities | | Share in profit and loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | (Amount in ₹ Crores) | As % of Consolidated Profit & Loss | (Amount in ₹ Crores) | As % of Consolidated Other Comprehensive Income | (Amount in ₹ Crores) | As % of Consolidated Total Comprehensive Income | (Amount in ₹ Crores) |
| **Parent** | | | | | | | | |
| Shyam Metalics and Energy Limited | 52.09% | 6,436.45 | 52.15% | 552.85 | 147.01% | 1.97 | 52.27% | 554.82 |
| **Subsidiaries** | | | | | | | | |
| Shyam Sel & power Limited | 50.79% | 6,276.69 | 52.30% | 554.45 | 173.27% | 2.32 | 52.45% | 556.77 |
| **Step down subsidiaries** | | | | | | | | |
| Whispering Developers Private Limited | 0.00% | 0.04 | 0.00% | (0.00) | 0.00% | - | 0.00% | (0.00) |
| Shyam Energy Limited | 0.75% | 92.24 | 0.00% | (0.05) | -214.93% | (2.88) | -2.93% | (0.28) |
| Shree Venkateshwara Electrocast Private Limited | -0.16% | (19.80) | -0.47% | (4.99) | 3.73% | 0.05 | -0.47% | (4.94) |
| Meadow Housing Private Limited | 0.00% | 0.38 | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| Ramsarup Industries Limited | 16.43% | 2,030.44 | -2.14% | (22.71) | 11.94% | 0.16 | -2.12% | (22.55) |
| SMEL Steel Structral Private Limited | 1.46% | 180.02 | 0.00% | 0.03 | 0.00% | - | 0.00% | 0.03 |
| S.S. Natural Resources Private Limited | -0.15% | (18.52) | -0.26% | (2.80) | 0.00% | - | -0.26% | (2.80) |
| Shyam Metalics International DMCC | 0.00% | 0.19 | -0.02% | (0.24) | 0.00% | - | -0.02% | (0.24) |
| Shree Sikhar Iron & Steel Private Limited | 0.03% | 3.66 | 0.00% | (0.05) | 0.00% | - | 0.00% | (0.05) |
| Nirjhar Commodities Private Limited | 0.00% | (0.07) | 0.03% | 0.31 | 0.00% | - | 0.03% | 0.31 |
| Non controlling Interest in all Subsidiaries | 6.75% | 834.37 | -0.95% | (10.07) | -23.13% | (0.31) | -0.98% | (10.38) |
| **Associates** | | | | | | | | |
| Meghana Vyapar Private Limited | 0.22% | 27.41 | 0.03% | 0.30 | -67.16% | (0.90) | -0.06% | (0.60) |
| Kolhan Complex Private Limited | 0.03% | 3.33 | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| Emerge Solar Project Private Limited | 0.01% | 0.88 | 0.00% | 0.02 | 0.00% | | 0.00% | 0.02 |
| Joint Venture | | | | | | | | |
| Kalinga Energy & power Limited | -0.01% | (0.80) | 0.00% | (0.00) | 0.00% | - | 0.00% | (0.00) |
| MJSJ Coal Limited | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Adjustments due to consolidation | -28.24% | (3,489.73) | -0.65% | (6.84) | 69.26% | 0.93 | -0.56% | (5.91) |
| **TOTAL** | **100%** | **12,357.18** | **100%** | **1,060.17** | **100%** | **1.34** | **100%** | **1,061.51** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 45 Statement of net assets and profit or loss attributable to owners and non-controlling interest (contd.)

| Name of the entity in the group | Net Assets i.e. total assets minus Liabilities | | Share in profit and loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of Consolidated Net Assets | (Amount in ₹ Crores) | As % of Consolidated Profit & Loss | (Amount in ₹ Crores) | As % of Consolidated Other Comprehensive Income | (Amount in ₹ Crores) | As % of Consolidated Total Comprehensive Income | (Amount in ₹ Crores) |
| **Parent** | | | | | | | | |
| Shyam Metalics and Energy Limited | 53.09% | 5,987.11 | 53.85% | 489.62 | 42.08% | 55.07 | 52.37% | 544.69 |
| **Subsidiaries** | | | | | | | | |
| Shyam Sel & power Limited | 50.69% | 5,716.82 | 45.88% | 417.15 | -1.47% | (1.93) | 39.92% | 415.22 |
| Step down subsidiaries | | | | | | | | |
| Whispering Developers Private Limited | 0.00% | 0.04 | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| Shyam Energy Limited | 0.84% | 95.20 | 0.00% | (0.03) | 58.30% | 76.30 | 7.33% | 76.27 |
| Shree Venkateshwara Electrocast Private Limited | -0.13% | (14.85) | -0.20% | (1.85) | 0.00% | - | -0.18% | (1.85) |
| Meadow Housing Private Limited | 0.00% | 0.39 | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| Ramsarup Industries Limited | 15.35% | 1,730.99 | 0.62% | 5.63 | 0.00% | - | 0.54% | 5.63 |
| SMEL Steel Structral Private Limited | 0.00% | (0.01) | 0.00% | (0.01) | 0.00% | - | 0.00% | (0.01) |
| S.S. Natural Resources Private Limited | -0.14% | (15.72) | -0.25% | (2.24) | 0.00% | - | -0.22% | (2.24) |
| Shyam Metalics International DMCC | 0.00% | 0.44 | -0.03% | (0.24) | 0.00% | - | -0.02% | (0.24) |
| Shree Sikhar Iron & Steel Private Limited | 0.03% | 3.71 | 0.00% | (0.04) | 0.00% | - | 0.00% | (0.04) |
| Nirjhar Commodities Private Limited | 0.00% | (0.38) | 0.00% | - | 0.00% | - | 0.00% | - |
| Non controlling Interest in all Subsidiaries | 6.43% | 724.75 | 0.13% | 1.16 | 7.46% | 9.76 | 1.05% | 10.92 |
| **Associates** | | | | | 0.00% | | 0.00% | |
| Meghana Vyapar Private Limited | 0.25% | 27.99 | 0.04% | 0.37 | 3.64% | 4.77 | 0.49% | 5.14 |
| Kolhan Complex Private Limited | 0.03% | 3.33 | 0.00% | - | - | - | - | - |
| Joint Venture | | | | | 0.00% | | 0.00% | - |
| Kalinga Energy & power Limited | -0.01% | (0.80) | 0.00% | - | 0.00% | | 0.00% | - |
| MJSJ Coal Limited | 0.00% | | 0.00% | | | | | |
| Adjustments due to consolidation | -26.43% | (2,980.94) | -0.03% | (0.23) | -10.00% | (13.09) | -1.28% | (13.32) |
| **TOTAL** | **100%** | **11,278.07** | **100%** | **909.27** | **100%** | **130.88** | **100%** | **1,040.15** |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

## 46 Segment reporting

**(A)** An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) i.e., Brij Bhushan Agarwal (Chairman & Managing Director) and Mr. Deepak Agarwal (Chief Financial Officer), to make decisions about resources to be allocated to the segments and assess their performance.

The Group is primarily engaged in business of manufacture and sale of Ferro Alloys, Iron & Steel products and power generation. The Group's manufacturing facilities are located in Odisha, West Bengal, Madhya Pradesh and Jharkhand and products sold in the domestic and overseas market are manufactured in these here. Based on the dominant source and nature of risk and returns of the Group, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Group has only one business segment, viz., iron and steel.

The geographic information analyses the Group's revenue by the Company's country of domicile (i.e. India) and other countries. In presenting the geographic information, segment revenue was based on the geographic location of customers. For details of revenues on geographic location wise, refer note 27.

**(B) Major customer**

No single customer contributed 10% or more of the total revenue of the Group for the year ended 31 March 2026 and 31 March 2025.

## 47 Details related to borrowings secured against current assets

The Group has given current assets as security for borrowings obtained from banks. The Group duly submitted the required information with the banks on regular basis and the required reconciliation is presented below:

**Holding Company**

| Quarter ended | Particulars | Amount as per books of accounts | Amount as reported in the quarterly return / statement | Amount of difference |
|---|---|---|---|---|
| **For the year ended 31 March 2026 (*)** | | | | |
| 31 December 2025 | - Trade receivables & Inventories | 2,396.82 | 2,396.82 | - |
| 30 September 2025 | - Trade receivables & Inventories | 2,063.95 | 2,063.95 | - |
| 30 June 2025 | - Trade receivables & Inventories | 2,201.13 | 2,201.13 | - |
| **For the year ended 31 March 2025** | | | | |
| 31 March 2025 | - Trade receivables & Inventories | 1,824.85 | 1,824.85 | - |
| 31 December 2024 | - Trade receivables & Inventories | 1,947.45 | 1,947.45 | - |
| 30 September 2024 | - Trade receivables & Inventories | 1,945.00 | 1,945.00 | - |
| 30 June 2024 | - Trade receivables & Inventories | 2,056.62 | 2,056.62 | - |

**Subsidiary - Shyam Sel and Power Limited**

| Quarter ended | Particulars | Amount as per books of accounts | Amount as reported in the quarterly return / statement | Amount of difference |
|---|---|---|---|---|
| **For the year ended 31 March 2026 (*)** | | | | |
| 31 December 2025 | - Trade receivables & Inventories | 2,969.08 | 2,969.08 | - |
| 30 September 2025 | - Trade receivables & Inventories | 2,872.92 | 2,872.92 | - |
| 30 June 2025 | - Trade receivables & Inventories | 2,849.05 | 2,849.05 | - |
| **For the year ended 31 March 2025** | | | | |
| 31 March 2025 | - Trade receivables & Inventories | 2,574.33 | 2,574.33 | - |
| 31 December 2024 | - Trade receivables & Inventories | 2,475.69 | 2,475.69 | - |
| 30 September 2024 | - Trade receivables & Inventories | 2,220.47 | 2,220.47 | - |
| 30 June 2024 | - Trade receivables & Inventories | 2,149.38 | 2,149.38 | - |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**Step down subsidiary- Ramsarup Industries Limited**

| Quarter ended | Particulars | Amount as per books of accounts | Amount as reported in the quarterly return / statement | Amount of difference |
|---|---|---|---|---|
| **For the year ended 31 March 2026 (*)** | | | | |
| 31 December 2025 | - Trade receivables & Inventories | 210.25 | 210.25 | - |
| 30 September 2025 | - Trade receivables & Inventories | 86.29 | 86.29 | - |
| 30 June 2025 | - Trade receivables & Inventories | 136.88 | 136.88 | - |
| **For the year ended 31 March 2025** | | | | |
| 31 March 2025 | - Trade receivables & Inventories | 97.99 | 97.99 | - |
| 31 December 2024 | - Trade receivables & Inventories | 100.81 | 100.81 | - |
| 30 September 2024 | - Trade receivables & Inventories | 55.35 | 55.35 | - |
| 30 June 2024 | - Trade receivables & Inventories | 43.73 | 43.73 | - |

(*) Note: The management of the Holding Company and subsidiary Company is in the process of submitting the quarterly statements with the banks for the quarter ended 31 March 2026.

## 48 Relationship with struck-off companies

The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year

## 49 Other statutory information

(a) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

(b) The Group does not hold nay Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given as such.

(c) The Group has not been declared as wilful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.

(d) There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.

(e) The Group does not have any investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.

(f) Borrowings taken by the Group have been utilized only for the purpose for which it was obtained.

(g) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.

(h) The Group 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 Group shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

(i) The Group 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 Group shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) The Holding Company, it's subsidiary Companies, Associates Companies and Joint Venture Entities incorporated in India have used accounting softwares for maintaining their respective books of account for the year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except for the instances mentioned below and we did not come accross any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and above referred subsidiaries, associates and joint ventures entities to the extent applicable as per the statutory requirements for record retention except for the following instances:

| | |
|---|---|
| No audit trail feature was enabled at the database level in respect of one of the accounting software to log any direct data changes | In respect of the Holding Company and five (5) subsidiary Companies |
| In case of one another accounting software in the absence of sufficient and appropriate audit evidence, i.e., adequate coverage in SOC report we are unable to comment whether the same has operated from January 01, 2026 to March 31, 2026 for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with. | Holding Company and three (3) of the subsidiary Companies. |
| No audit trail feature was enabled at the database level in respect of one of the accounting software to log any direct data changes | Five (5) subsidiary Companies, two (2) associates and one (1) joint venture entity. |
| Instances of non-preservation of the audit trail | One (1) subsidiary Company, one (1) associate and one (1) joint venture entity. |

## 50

The Government of India had announced the implementation of the four Labour Codes - The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as 'the New Labour Codes') with effect from 21 November 2025.

On 8 May 2026, the Ministry of Labour & Employment notified the final Central Rules under these Codes. The Group has assessed the impact of these changes, including the notified Rules, based on available information and actuarial valuation, and concluded that the impact accounted is not material to these consolidated financial statements. The Group continues to monitor the notification of State Rules.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2026

(All amounts in ₹ crores, unless otherwise stated)

**51** Subsequent to the year ended March 31, 2026, the Directorate of Enforcement ("ED") issued a Provisional Attachment Order dated April 15, 2026 on one of the Subsidiary, Shyam SEL and Power Limited stating that certain specified investments aggregating to ₹152.48 crores relating to corporate bonds and alternate investment funds held by the said subsidiary have been provisionally attached for 180 days under the provisions of the Prevention of Money Laundering Act, 2002 ("PMLA") in connection with an ongoing investigation relating to alleged purchase of coals from illegal coal mining and coal pilferage in the leasehold areas of Eastern Coalfields Limited by certain coal syndicate.

The Management of the Group refutes all such allegations and believes that no linkage has been established during such investigation by the ED and accordingly the Group is taking appropriate legal recourse in the matter. The aforesaid attachment is provisional in nature and subject to confirmation by the Adjudicating Authority under PMLA regulations, which is still awaited. The Group does not expect any impact on the Group's operations and its consolidated financial statements.

Pending resolution of the matter and considering the restrictions arising from the provisional attachment order, the Group has presented investments amounting to ₹152.48 crores as non-current as at March 31, 2026,irrespective of their contractual maturity.

**52** Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current periods figures.

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

As per our report of even date attached

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
Firm Registration Number:105047W/W101187

**Dipak Jaiswal**
Partner
Membership No: 063682

Place: Kolkata
Date: 11 May 2026

For and on behalf of the Board of Directors of
**Shyam Metalics and Energy Limited**
CIN: L40101WB2002PLC095491

**Brij Bhushan Agarwal**
Chairman & Managing Director
DIN: 01125056

**Sanjay Kumar Agarwal**
Joint Managing Director
DIN: 00232938

**Deepak Agarwal**
Executive Director & Chief Financial Officer
DIN: 00560010

**Birendra Kumar Jain**
Company Secretary
M. No. FCS 13320

Place: Kolkata
Date: 11 May 2026

SHYAM METALICS™
ORE TO METAL

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