



Sharda Ispat Ltd.

Regd. Off.: Kamptee Road, Nagpur - 44 00 26

Tel.: 0712 - 2245156, 2245888, | Email: shardaispat.ngp@gmail.com

Website: www.shardaispat.com | CIN No.: L74210MH1960PLC011830



03rd September, 2025

To,
Manager (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

Scrip Code: 513548

Dear Sir/ Madam,

Sub: - Submission of Annual Report of the Company for FY 2024-25
Submission of Notice convening 64th Annual General Meeting

Pursuant to Regulation 34 (1) of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2024-25 and the Notice convening the 64th Annual General Meeting to be held on 26th September, 2025.

The Annual Report and Notice of 64th Annual General Meeting is also placed on the website of the Company i.e. <https://shardaispat.com/> under Annual Report section and Investor Section respectively.

Thanking you,

Yours Sincerely,
For Sharda Ispat Limited

Amit
Bankatlal
Mundada

Digitally signed by Amit
Bankatlal Mundada
Date: 2025.09.03
17:49:01 +05'30'

(Amit B.Mundada)
(Company Secretary & Compliance officer)

Encl:- As above

64th
Annual
REPORT

2024-2025



SHARDA ISPAT LIMITED
NAGPUR

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BOARD OF DIRECTORS

SHRI NANDKISHORE SARDA : Chairman & Managing Director
SMT. POONAM SARDA : Whole-Time Director & CFO
SHRI PRAKASH SONI : Independent Director
SHRI MUKUND MOHTA : Independent Director
SHRI GOVIND MANTRI : Independent Director

Company Secretary &
Compliance Officer : SHRI AMIT B. MUNDADA

Secretarial Auditors : M/s. SUNIL KUMAR SHARMA & ASSOCIATES
Practicing Company Secretaries
2nd Floor, Samarth Building, Sona Restaurant
Square, C A Road, Gandhibagh, Nagpur - 440002.

Statutory Auditor : M/s. PANPALIYA TAORI & CO
Chartered Accountants,
11, 2nd Floor, Bajaj Wing, NMC Mangalwari
Complex, Sadar, Nagpur – 440001

Internal Auditor : M/s. LNJ & ASSOCIATES
Chartered Accountants,
Sadar, 2nd Floor, Shreeji Apartment,
Tikekar Road, Dhantoli, Nagpur-440015

Cost Auditor : NARENDRA PESHNE AND ASSOCIATES
Cost and Management Accountants,
202, Pramila Apartment, Beside Gulmohar Hall,
Khamla Road, Nagpur- 440025

Bankers : NAGPUR NAGARIK SAHAKARI BANK LTD.
Dharampeth Branch: Block No. 103, Lok
Kalyan Bhavan, Plot No. 184/2, North
Bazar Road, Dharampeth, Nagpur-440010

Registered Office : Kamptee Road, Nagpur - 440026
Phone No. 0712-2640071
E-mail: shardaispat.ngp@gmail.com

Corporate Office : 'DA-ROCK', Plot No. 230, 6th Floor,
Hill Road, Shivaji Nagar, Nagpur-440010
Phone No.- 0712-2245888

Plant : Kamptee Road, Nagpur – 440026

**Address For
Correspondence to
Share Department** : M/s. Adroit Corporate Services Pvt. Ltd.
18 - 20, Jaferbhoy Industrial Estate,
Makwana Road, Marol Naka,
Marol, Andheri (E), Mumbai- 400059

Website : shardaispat.com

COMMITTEES:**1. Audit Committee**

| Sr.No. | Name of the Members | Position |
|---------------|----------------------------|-----------------|
| 1. | Shri Mukund Mohta | Chairman |
| 2. | Shri Prakash Soni | Member |
| 3. | Shri Govind Mantri | Member |

2. Nomination and Remuneration Committee

| Sr.No. | Name of the Members | Position |
|---------------|----------------------------|-----------------|
| 1. | Shri Prakash Soni | Chairman |
| 2. | Shri Mukund Mohta | Member |
| 3. | Shri Govind Mantri | Member |

3. Stakeholders Relationship Committee

| Sr.No. | Name of the Members | Position |
|---------------|----------------------------|-----------------|
| 1. | Shri Govind Mantri | Chairman |
| 2. | Shri Nandkishore Sarda | Member |
| 3. | Smt. Poonam Sarda | Member |

SHARDA ISPAT LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty-Fourth Annual General Meeting (AGM) of the Members of Sharda Ispat Limited will be held on Friday, the 26th day of September, 2025 at 09:30 a.m. (I.S.T), at Da-rock, Plot no. 230, 7th Floor, Hill Road, Shivaji Nagar, Nagpur-440010, to transact the following business:

ORDINARY BUSINESS

1. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company including Balance Sheet, Profit and Loss Account and Cash Flow Statement for the year ended as at 31st March, 2025, together with the Reports of the Board of Directors and Auditors thereon.

2. Re-appointment of a Director

To appoint a Director in place of Smt. Poonam Sarda (DIN 00190512), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.

3. Re-appointment of a Statutory Auditor

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

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Panpaliya Taori & Co. Chartered Accountants, having Firm Registration No. 125508W be and is hereby re-appointed as the Statutory Auditors of the Company to hold office for a second term of 5 (Five) consecutive years commencing from the conclusion of this ensuing 64th Annual General Meeting till the conclusion of the 69th Annual General Meeting of the Company to be held in the year 2030, to examine and audit the accounts of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any Committee of the Board) be and is hereby authorized to do all necessary acts, deeds, things and matters, and execute all such documents, as may be necessary in this regard from time to time to give effect to this resolution.”

SPECIAL BUSINESS

4. To approve the Remuneration of Cost Auditor of the Company for Financial Year 2025-26:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded for the payment of remuneration of Rs. 35,000/- (Rupees Thirty-Five Thousand Only) plus reimbursement of out of pocket expenses, if any, to Company’s Cost Auditors, M/s. Narendra Peshne and Associates, Cost and Management Accountants, Nagpur (FRN: 100269), who, based on the recommendation(s) of the Audit Committee, have been appointed by the Board of Directors of the Company, for auditing the cost records maintained by the Company for the financial year ending 31st March, 2026.

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

5. Appointment of Secretarial Auditors:

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

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) each as amended, and based on the recommendation(s) of the Audit Committee and the Board of Directors of the Company (‘Board’), M/s. Sunil Kumar Sharma & Associates, Practicing Company Secretaries, Nagpur having Unique Code Number S2014MH248700 and Peer Review Certificate No- 2547/2022 be and is hereby appointed as the Secretarial Auditors of the Company.

RESOLVED FURTHER THAT the appointment of Secretarial Auditor is for a period of 5 (Five) consecutive years from the conclusion of this ensuing 64th Annual General Meeting till the conclusion of the 69th Annual General Meeting of the Company to be held in the year 2030, a period beginning from the Financial Year 2025-26 through the Financial Year 2029-30, at such remuneration as may be mutually agreed upon between

the Board, based on the recommendation(s) of the Audit Committee, and the Secretarial Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any Committee of the Board) be and is hereby authorized to do all necessary acts, deeds, things and matters, and execute all such documents, as may be necessary in this regard from time to time to give effect to this resolution.”

**By order of the Board of Directors
For Sharda Ispat Limited**

**Date: 13.08.2025
Place: Nagpur**

**Sd/-
(Amit B. Mundada)
Company Secretary**

NOTES:

1. A Statement setting out material facts pursuant to the provisions of Section 102 (1) of the Companies Act, 2013 (the “Act”) in respect of ordinary/special businesses set out at Item nos. 3 to 5 of the Notice is annexed hereto. Further, details of Directors whose re-appointment is proposed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, respectively and Secretarial Standards on General Meeting (SS-2), details of Statutory Auditors and Secretarial Auditor whose reappointment/appointment is/are proposed pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also appended hereto.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote and such proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in total not more than ten percent of the total paid-up share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A Proxy Form is annexed to this notice.
3. If a Proxy is appointed for more than fifty (50) Members, he/she shall choose any fifty (50) Members and confirm the same to the Company before the commencement of period specified for inspection of proxy lodged. In case the Proxy fails to do so, the Company shall consider only the first fifty proxies received as valid.
4. The proxy form, in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting

and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.

5. An instrument of Proxy duly filled, stamped, and signed is valid only for this Annual General Meeting including any adjournment thereof.
6. Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM on their behalf and cast votes through remote E-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution/Authorization letter to the Company at shardaispat.ngp@gmail.com, authorizing its representative(s) to attend and vote on their behalf at the Meeting, pursuant to Section 113 of the Act.
7. Members who hold shares in electronic form are requested to mention their DP ID and Client ID number and those who hold shares in physical form are requested to mention their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Annual General Meeting.
8. The relevant documents referred to in the Notice are available for inspection by the members at the Registered Office of the Company during business hours on any working day (i.e., except Saturdays, Sundays & Public Holidays) between 11.00 a.m. IST to 1.00 p.m. IST up to the date of the Meeting.
9. Electronic copy of the full annual report for 2024-25 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. Electronic copy of the Notice of the 64th Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. The Company, in accordance with the Regulation 36(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be sending letter to the shareholders who have not registered their email addresses with the Company.
10. Rule 3 of Companies (Management and Administration) Rules, 2014 (as amended) prescribes that Register of Members should include details pertaining to e-mail, PAN/CIN, UID, Occupation, Status and Nationality. We request all the Members of the Company to update the said details with their respective Depository Participants in case of shares held in electronic form and with the Company's Registrar and Transfer Agents in the case of physical holding.
11. The Cut-off date for E-voting: Friday, September 19, 2025.

12. Register of Members and the transfer books of the Company will remain closed from Saturday 20th September, 2025 to Friday 26th September, 2025. (both days inclusive).
13. The Company has appointed Adroit Corporate Services Private Limited, Registrar and Share Transfer Agent, 18-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai 400059 as Registrars and Share Transfer Agents for Physical Shares. The said (RTA) is also the Depository interface of the Company with both National Securities Depository Limited (“NSDL”) & Central Depositories Services India Limited (“CDSL”). The information of RTA is as follows:
- **Telephone No.** 022- 42270400
 - **E-mail address:** info@adroitcorporate.com
14. In view of Ministry of Corporate Affairs (MCA) circular dated 28th December, 2022 and 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) Securities and Exchange Board of India (SEBI) circular dated 5th January 2023, and other applicable provisions, if any, of the Listing Regulations, for the time being in force read along with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 Dated: October 3, 2024 providing relaxation from sending hard copy of annual report to the shareholders who have not registered their e-mail address, the notice of the AGM along with the Annual Report 2024-25 is being sent through electronic mode to those members whose e-mail addresses are registered with the company/Depositories. Further in terms of Notification No. SEBI/LAD-NRO/GN/2024/218 dated 12th December, 2024, a letter providing the web-link, including the exact path, where complete details of the Annual Report are given. In accordance with the aforesaid MCA Circulars and the SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2024-25 are being sent ONLY through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent/ Depositories/ Depository Participants. The Company shall send physical copy of the Annual Report for FY 2024-25 to those Members who request for the same at shardaispat.ngp@gmail.com or info@adroitcorporate.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 64th AGM along with the Annual Report for FY 2024-25 will also be available on the website of the Company at <https://shardaispat.com/> and websites of the Stock Exchanges where the securities of the Company are listed, i.e. BSE Limited at www.bseindia.com and the website of NSDL at www.evoting.nsdl.com.
15. Members who hold shares in electronic form are requested to mention their DP ID and Client ID number and those who hold shares in physical form are requested to mention their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the AGM.
16. Members are requested to notify immediately change of address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts and Adroit

Corporate Services Private limited (RTA), or to the Company at its Registered Office in respect of their physical shares.

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act will be available for inspection during the AGM, if the members so desire. Members desiring any information are requested to write to the Company.
18. Attendance Slip and Proxy Form are annexed. Members are requested to bring their duly filled-in attendance slip with a copy of the Annual Report to the place of the meeting.
19. Members who hold shares in the Dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
20. Route Map for venue of AGM is annexed in this Notice.
21. The notice of AGM and Annual Report is being sent by electronic mode to all those members, whose names appear in the Register of Members/List of Beneficial Owners maintained by the Company through its RTA/ Depositories as on Friday, 29th August, 2025, ('Benpos Date').
22. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut- off date of Friday, 19th September, 2025.
23. Any persons, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., 19th September 2025, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting as the AGM through ballot paper.
24. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
25. Shri Sunil Kumar Sharma, proprietor of Sunil Kumar Sharma & Associates, Company Secretaries in whole-time practice with Membership No. FCS 10043 and Certificate of Practice No. 12708, has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of a scrutinizer, by use of Poll for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
26. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-

voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

27. The Result declared along with the report of the scrutinizer shall be placed on the website of the Company and on the website of NSDL. The results shall simultaneously be communicated to the Bombay Stock Exchange ("BSE"), Mumbai.
28. In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company's RTA at <https://www.adroitcorporate.com/RandTServices.aspx>.

29. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

30. Norms for furnishing of PAN, KYC, Bank details and Nomination:

Pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 issued to the Registrar and Transfer Agents read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, and other related SEBI Circulars, SEBI has mandated that, with effect from April 1, 2024, dividend to the security holders holding shares in physical mode shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Contact Details (Postal Address with PIN and Mobile Number), Bank Account Details, Specimen Signature, etc., for their corresponding physical folios with the Company or its RTA. Relevant FAQs have been published by SEBI in this regard. The FAQs and the above-mentioned SEBI Master Circular and SEBI Circular are available on SEBI's website.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above.
- To receive any payment including dividend, interest, or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updating of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on the website of the Company's RTA at <https://www.adroitcorporate.com/RandTServices.aspx>. In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

31. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.

32. Voting through electronic means

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, the Company is pleased to provide its members, as on the cut-off date Friday, 19th September 2025, the facility to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice, at the 64th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by National Securities Depository Limited ("NSDL").
2. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
3. The remote e-voting period commences on Tuesday, September 23, 2025, at time 09:00 A.M. (IST) and ends on Thursday, September 25, 2025, at time 05:00 P.M. (IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday 19th September 2025, may cast their vote by remote e-voting. The remote E-voting module shall be disabled by NSDL for

voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

33. Process for registration of email ID to receive the Notice of AGM and the Annual Report for F.Y. 2024-2025 and cast votes, electronically:

Members who have not registered their email ID are required to send an email request to e-voting@nsdl.co.in along with the following documents for procuring user ID and password for e-voting for the resolutions set out in this Notice:

- In case shares are held in physical mode, please provide Folio No., name of Member, scanned copy of the share certificate (front and back), self-attested scanned copy each of PAN card and Aadhaar card.
- In case shares are held in electronic mode, please provide DP ID-Client ID (8-digit DP ID+8-digit Client ID or 16-digit beneficiary ID), name, client master or copy of Consolidated Account statement, self-attested scanned copy each of PAN card and Aadhaar card.
- If you are an individual Member holding securities in electronic mode, you are requested to refer to the login method explained at para VI below under step 1 (A) i.e., Login method for remote e-voting and joining virtual meetings for Individual Shareholders/Members holding securities in electronic mode.

Those Members who have already registered their email ID are requested to keep the same validated with their DP to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.

35. Process and manner for Members opting for e-voting is as under:

1. In compliance with the provisions of Section 108 and other applicable provisions of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the Listing Regulations and in terms of SEBI circular no. SEBI/HO/ CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-voting facility provided by listed entities; the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of NSDL for facilitating e-voting to enable the Members to cast their votes electronically as well as for e-voting during the AGM. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if it/they have been passed at the AGM.
2. Members are provided with the facility for voting through electronic voting system during the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

3. Members who have already cast their vote by remote e-voting prior to the AGM, will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.
4. Members of the Company holding shares either in physical form or electronic form, as on the cut-off date of Friday, September 19, 2025, may cast their vote by remote e-Voting. The remote e-voting period commences on Tuesday, September 23, 2025, at time 09:00 A.M. (IST) and ends on Thursday, September 25, 2025, at time 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 19, 2025.

Any person holding shares in physical form and non-individual shareholders, who acquire shares and become Members of the Company after the Notice is sent through e-mail and holding shares as of the cut-off date i.e., Friday, September 19, 2025, may obtain the login ID and password by sending a request at e-voting@nsdl.co.in or to the Company's RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on <http://www.e-voting.nsdl.com> or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquire shares of the Company and become Members of the Company after sending of the Notice and holding shares as of the cut-off date i.e., Friday, September 19, 2025, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-voting system." Other methods for obtaining/ procuring user IDs and passwords for a-Voting are provided in the AGM Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -

The remote e-voting period begins on Tuesday, September 23, 2025, at time 09:00 A.M. (IST) and ends on Thursday, September 25, 2025, at time 05:00 P.M. (IST). 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. Friday, September 19, 2025, 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 Friday, September 19, 2025.

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 for Individual shareholders holding securities in demat mode

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 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. | <ol style="list-style-type: none">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.2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-Voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. 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.jsp3. 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- |

| | |
|--|--|
| | <p>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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest, they can login through their 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. 2. After successful login the Easi /Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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. 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. 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. 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from 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 e-voting 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. |
|--|---|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 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 use 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 on NSDL e-voting system.

How to cast your vote electronically 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 is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period.
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 cssunsharma7@gmail.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 - 48867000 or send a request to Apeksha Gojamgunde 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 email IDs for e-voting for the resolutions set out in this notice:

- a. 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 info@adroitcorporate.com with copy marked to shardaispat.ngp@gmail.com.
- b. 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) by email to info@adroitcorporate.com with copy marked to shardaispat.ngp@gmail.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 for Individual shareholders holding securities in demat mode.
- c. 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.
- d. 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.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out the material facts relating to Item nos. 3, 4 and 5 mentioned in the accompanying Notice dated 13th August, 2025.

Item No. 3

In the 59th Annual General Meeting held on 11th December, 2020, the members had approved the appointment of M/s. Panpaliya Taori & Co., Chartered Accountants, as the Statutory Auditors for a first term of 5 years (F.Y. 2020-21 to F.Y. 2024-25 /from the conclusion of 59th Annual General Meeting till the conclusion of 64th Annual General Meeting).

The first term of M/s. Panpaliya Taori & Co., Chartered Accountants, as the Statutory Auditors shall expire in the ensuing Annual General Meeting. The Board of Directors of the Company in its meeting held on 13th August, 2025, on the recommendation of Audit Committee, has, subject to the approval of the members in the general meeting reappointed M/s. Panpaliya Taori & Co., Chartered Accountants, as the Statutory Auditors for a second term of 5 years.

The details, terms and conditions of appointment (including remuneration) of the Auditor proposed to be appointed, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are as follows:

| Name of the Auditor | M/s. Panpaliya Taori & Co. |
|---------------------|---|
| Brief Profile | M/s. Panpaliya Taori & Co. is one of the leading firms of Chartered Accountants in the Central India. Established in 2004 by Ritesh Panpaliya and Amit Taori. the firm offers multi-disciplinary services to its clients. |
| | The Firm is managed by 2 Partners having varied Experience in the field of Audit, Taxation and Management Audit and is assisted by qualified professionals, Articles & Audit Assistants. |
| | The Firm is Peer Reviewed by the Institute of Chartered Accountants of India two times till date and got certificate of Peer Review. |
| | The firm is empaneled with C & AG, Reserve Bank of India, Further, the firm is also doing audits of various Companies and Banks for more than 20 years. |

| | |
|--|---|
| Credentials | M/s. Panpaliya Taori & Co. (Firm Registration No. 125508W) is firm of Chartered Accountants and holding Peer Review Certificate No.016564 issued by the Peer Review Board of the Institute of Chartered Accountants of India. |
| Basis of recommendation for appointment/ Re-appointment | Based on the profile given above, the Board of directors, on the recommendations of the Audit Committee is seeking approval of the shareholders of the Company for re-appointing M/s. Panpaliya Taori & Co., as the statutory auditors of the Company with effect from the conclusion of the 64th Annual General Meeting of the Company, for a period of five years. |
| Terms of appointment/ Re-appointment | M/s. Panpaliya Taori & Co., is proposed to be re-appointed as the statutory auditors of the Company with effect from the conclusion of the 64th Annual General Meeting of the Company, for a period of five years i.e. till the conclusion of 69 th Annual General Meeting of the Company on such terms as may be mutually determined by the Board of Directors of the Company in consultation with the Auditors. Period of re-appointment is commencing from the financial year 2025-26 to financial year 2029-30. |
| Proposed fee payable | <p>Not exceeding Rs. 3,50,000/- (Rupees three lakh fifty thousand only) payable to the Auditors for the financial year 2025-26 plus applicable taxes and out of pocket expenses, as may be incurred, in connection with the statutory audit of financial statements of the Company.</p> <p>The fees payable for statutory audit per financial year to the Auditors for the financial year 2026-27 and onwards till the remainder of their tenure, will be mutually determined by the Board of Directors of the Company in consultation with the Auditors.</p> |
| Material change in the fee payable to the auditor from that paid to the outgoing auditor | Not applicable. |
| Rationale for such change in remuneration | Not applicable. |

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. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Item No. 4

The Board, on the recommendation of the Audit Committee, approved the appointment and remuneration of Narendra Peshne and Associates, Cost & Management Accountants, Nagpur as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 at a remuneration of Rs. 35,000/- (Rupees Thirty-Five Thousand Only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, 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.

Accordingly, the consent of the members is sought by way of an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March, 2026.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

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

Item No. 5

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on 13th August 2025 have approved and recommended the appointment of M/s. Sunil Kumar Sharma and Associate, Practicing Company Secretaries, Nagpur (Unique Code Number -S2014MH248700 and Peer Review No.2547/2022), as the Secretarial Auditors of the Company for a period of 5 (five) consecutive years [F.Y. 2025-26 to F.Y. 2029-30], to hold office from the conclusion of this 64th Annual General Meeting till the conclusion of 69th Annual General Meeting to be held in 2030, subject to approval by the Members at this Annual General Meeting.

The details, terms and conditions of appointment (including remuneration) of the Secretarial Auditor proposed to be appointed, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are as follows:

| Name of the Secretarial Auditor | M/s. Sunil Kumar Sharma and Associates |
|---|--|
| Brief Profile | <p>M/s. Sunil Kumar Sharma & Associates is one of the leading firms of Company Secretaries in Nagpur. Established in 2013 by Mr. Sunil Kumar Sharma. The firm offers multi-disciplinary services to its clients.</p> <p>The Firm is managed by Sunil Kumar Sharma having varied Experience in the field of Company Law, SEBI and various other business laws and is assisted by qualified professionals, Articles & Audit Assistants.</p> <p>The Firm is registered (Registration No. S2014MH248700) with the Institute of Company Secretaries of India and holds a valid Peer Review Certificate.</p> <p>CS Sunil Kumar Sharma (FCS) is a Fellow Member of The Institute of Company Secretaries of India (ICSI). Having good working experience and proficiency in all matters related to Company Law, SEBI and various other business laws and have command over compliance management with respect to statutory reporting and other statutory requirements.</p> |
| Credentials | M/s. Sunil Kumar Sharma & Associates (Membership No 10043) is Proprietorship firm of Company Secretary in Practice and holding Peer Review Certificate No.2547/2022 issued by the Peer Review Board of the Institute of Company Secretaries of India. |
| Basis of recommendation for appointment | Based on the profile given above, the Board of directors, on the recommendations of the Audit Committee is seeking approval of the shareholders of the Company for appointing M/s. Sunil Kumar Sharma & Associates, as the Secretarial auditors of the Company with effect from the conclusion of this 64th Annual General Meeting of the Company, for a period of five years. |
| Terms of appointment | Term of 5 (Five) consecutive years starting |

| | |
|--|--|
| | from the conclusion of this 64 th Annual General Meeting till the conclusion of 69 th Annual General Meeting to be held in 2030. A period beginning from the Financial Year 2025-26 through the Financial Year 2029-30. |
| Proposed fee payable | <p>Not exceeding 84,000/- (Rupees Eighty-Four Thousand only) payable to the Secretarial Auditors for the financial year 2025-26 plus applicable taxes and out of pocket expenses, as may be incurred, in connection with the secretarial audit of the Company.</p> <p>The fees payable for secretarial audit per financial year to the Secretarial Auditors for the financial year 2026-27 and onwards till the remainder of their tenure, will be mutually determined by the Board of Directors of the Company in consultation with the Secretarial Auditors.</p> |
| Material change in the fee payable to the auditor from that paid to the outgoing auditor | Not applicable |
| Rationale for such change in remuneration | Not applicable. |

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. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

**By order of the Board of Directors
For Sharda Ispat Limited**

**Date: 13.08.2025
Place: Nagpur**

**Sd/-
(Amit B. Mundada)
Company Secretary**

Annexure

Details under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment/ reappointment at the ensuing Annual General Meeting to be held on 26th September, 2025 are given as under:

| | |
|---|--|
| Name of Director | Smt. Poonam Sarda |
| Age | 54 years |
| Qualification | C.A (Intermediate), L.L.B |
| Date of appointment | 21.01.2010 |
| Experience | Nearly 15 years of experience in Accounting, Finance, Taxation, Corporate Laws, Human Resource Management. |
| Terms & Conditions of re-appointment/appointment | Smt. Poonam Sarda is a Whole-time Director (designated as Whole-time Director and Chief Financial officer) of the Company, liable to retire by rotation. |
| Remuneration last drawn (including sitting fees, if any) | Rs. 48 Lakhs (F.Y.2024-25) |
| Remuneration/sitting fees proposed to be paid per month, if any | As per the terms of appointment approved by the Members of the Company through the Postal ballot on 25th May, 2022. |
| Other Directorships | Asha Agriculture and Property Pvt. Ltd. Navdeep Agriculture & Properties Pvt. Ltd. Sarda Infrastructure Pvt. Ltd. In-link Capital Services Pvt. Ltd. Sharda Auto Industries Ltd. Armiss Alloys Pvt. Ltd. Orangecity.com Pvt.Ltd. |
| Chairman/ Member of Committees | Sharda Ispat Limited Stakeholders Relationship Committee- Member |
| Shareholding in the Company | 1,28,060 Equity Shares |
| No. of Board Meetings attended/ held during Financial Year 2024-25 | 5/5 |
| Relationship with Directors | Daughter-in-law of Shri Nandkishore Sarda, Chairman & Managing Director |
| Listed entities from which resigned in the past three years | Nil |
| Skills and capabilities required for the role of independent director and the manner in which the proposed person meets such requirements | Not Applicable |

Board's Report

Dear Members,

The Board of Directors of Sharda Ispat Limited ('Company') is pleased to present the Sixty-fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2025.

1. FINANCIAL RESULTS: (STANDALONE)

The Company's financial performance for the year ended 31st March, 2025 is summarised below. **(Rs. in Lakhs)**

| Particulars | 2024-25 | 2023-24 |
|--|-----------|-----------|
| Total Income | 17,855.31 | 22,903.37 |
| Total Expenditure | 16,601.57 | 20,803.03 |
| Finance Cost | 149.58 | 138.48 |
| Depreciation and Amortisation Expenses | 84.03 | 84.99 |
| Net Profit Before Tax | 1020.13 | 1876.87 |
| Less: Provision for Tax | | |
| a. Current Tax | (264.06) | (478.71) |
| b. Income Tax (earlier years) | (0.19) | (1.56) |
| c. Deferred Tax | 2.68 | 0.64 |
| Net Profit After Tax | 758.55 | 1397.25 |

2. STATE OF COMPANY'S AFFAIRS:

Discussion on the state of the Company's affairs has been covered as part of the Management Discussion and Analysis. Management Discussion and Analysis for the year under review, as stipulated under SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

3. REVIEW OF PERFORMANCE:

The steel industry faced ongoing challenges in Financial Year 2024-25 due to adverse global economic conditions. Adding to the pressure, inconsistent crude steel production in China throughout the year led to significant swings in both raw material and steel prices. Meanwhile, inflation in major developed economies eased, aligning with central bank targets. This shift allowed policymakers to pivot toward growth-oriented strategies, including interest rate cuts initiated after September 2024.

Iron ore prices remained volatile throughout Financial Year 2024-25, beginning at USD 111/MT in April 2024, declining to USD 94/MT by September, and then gradually stabilizing at around USD 102/MT by March 2025. This recovery was

supported by a stimulus package introduced by the Chinese government in September 2024 to boost the construction and real estate sectors. Coking coal prices mirrored this volatility, fluctuating within a range of USD 195 to USD 268/MT over the same period.

The automotive sector is a one of the major contributors to the Company's business portfolio. Financial Year 2025 has seen Commercial vehicles (CV) sales remained at a similar level to that of previous year at 1.03 Million vehicles.

In April 2025, the United States introduced a new round of tariffs on a broad spectrum of imports from several trading partners, with the goal of boosting domestic manufacturing and reducing reliance on foreign supply chains. China, one of the primary targets, responded with retaliatory actions, escalating trade tensions between the two largest global economies. These frictions have heightened concerns over potential disruptions in global supply chains, particularly in critical sectors such as electronics, steel, industrial machinery, and textiles.

India was also impacted, facing a 26% tariff on a wide range of exports including Pharmaceuticals, Automotive Components, Machinery, and Agricultural Products. Nevertheless, ongoing negotiations between India and the U.S. offer hope for a more balanced trade framework that could enhance bilateral economic cooperation in the near future.

The Company recorded total Income of Rs. 17,855.31 Lakhs during the financial year 2024-25 as compared to Rs. 22,903.37 Lakhs in the previous year. The EBIDTA of the Company is Rs. 16,601.57 Lakhs as against the previous Financial Year's to Rs. 20,803.03 Lakhs. The Profit Before Tax for the financial year 2024-25 amounts to Rs. 1020.13 Lakhs as against Rs. 1876.87 Lakhs for the previous year. The profit after tax for the financial year 2024-25 was Rs.758.55 Lakhs as compared to Rs.1397.25 Lakhs in the previous year.

4. DIVIDEND:

In view of meeting Company's working capital requirements for long-term sustainability in future, your directors took a prudent decision to plough back the profits into the business and not to recommend any dividend for the Financial Year 2024-25.

5. TRANSFER TO RESERVES:

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2024-25 in the statement of profit and loss.

6. DEPOSITS:

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

7. INFORMATION ABOUT SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANY:

As on March 31, 2025, the Company did not have any Subsidiary, Joint Venture, or Associate Company. Accordingly, the statement required under the provisions of Section 129 (3) of the Companies Act, 2013, containing the salient features of the financial statements of such entities in Form AOC-1, is not applicable and therefore not annexed.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

During the financial year 2024-25, there were no unpaid or unclaimed dividends requiring transfer to the Investor Education and Protection Fund. Accordingly, the provisions of Section 125 of the Companies Act, 2013 are not applicable to the Company for this period.

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report. There was no change in the nature of the business of the Company during the year.

10. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per the terms of appointment, Shri Rajendra Prasad Mohanka (DIN:00235850), Shri Harish Dass (DIN: 00419983) and Shri Ramesh Mantri (DIN: 00414931) completed their second term as Independent Director on 19th September, 2024 and accordingly, ceased to be member of the Board of Directors of the Company. The Board of Directors places on record their deep appreciation for the wisdom, knowledge, guidance and leadership provided by them as Member of the Board and its Committees during their tenure.

During the year, the Board, on the recommendation of the Nomination and Remuneration Committee, had appointed Shri Prakash Soni (DIN: 01741631), Shri Mukund Mohta (DIN: 00580540) and Shri Govind Mantri (DIN: 00414922) as Independent Directors for the first term of 5 (five) consecutive years with effect from 13th August, 2024, for smooth transition and familiarization of new directors before cessation of existing directors.

In the last Annual General Meeting the members approved appointment of Shri Prakash Soni (DIN: 01741631), Shri Mukund Mohta (DIN: 00580540) and Shri Govind Mantri (DIN: 00414922) as Independent Directors and re-appointment of Smt. Poonam Sarda (DIN 00190512) as Director liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Poonam Sarda (DIN 00190512) Whole-time Director (Chief Financial officer) of the Company retire by rotation at the

ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

The Board of directors recommends her appointment for consideration of the shareholders at Item no.2 of the Notice calling 64th Annual General Meeting.

Necessary resolutions for the above re-appointment are being made a part of the Notice convening the ensuing general meeting. The brief resume and other details relating to Smt.Poonam Sarda (DIN:00190512) who is proposed to be re-appointed, as required to be disclosed under Regulation 36 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling 64th Annual General Meeting.

None of the Directors of your Company are disqualified under the provisions of Section 164 (2)(a) and (b) of the Companies Act, 2013.

During the period under review, no Non-Executive Director of the Company had any pecuniary relationship or transactions with the Company.

Smt. Poonam Sarda was appointed as Director of the Company on 21.01.2010 and further as Whole-time Director on 01.04.2012 and has been continued as Woman Director of the Company.

As per the provisions of Section 2 (51) read with Section 203 of the Companies Act, 2013, the Board of Directors noted that Shri Nandkishore Sarda, (DIN 00229911) Chairman and Managing Director, Smt. Poonam Sarda, (DIN 00190512) Whole-time Director and Chief Financial Officer and Shri Amit B. Mundada (Company Secretary and Compliance officer) are the Key Managerial Personnel of the Company as on the date of this Board's Report.

The Company has received the necessary declaration from each Independent Directors who are part of board confirming that:

- a. He meets the criteria of independence as laid down in Section 149 (6) of the Companies Act, 2013 read with the schedules, rules made thereunder and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- b. Registered themselves with the Independent Director's databank as per the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

In the opinion of the Board, there has been no change in the circumstances which may affect the status of Independent Directors of the Company and the Board is satisfied with the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Key Managerial Personnel

During the year under review, there was no change in the Key Managerial Personnel.

11. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.

In a separate meeting of Independent Directors, performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

12. REMUNERATION POLICY:

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at the Board meeting, subject to the subsequent approval of the Shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, positive attributes, industry standards as well as the financial position of the Company.

The remuneration of the Managing Director and Whole-time Director comprises Salary, contributions to provident fund, gratuity and leave encashment facility. The Company does not have any stock option scheme. The tenure of the office of the Managing Director and Whole-time Director is 5 (Five) years. The Board has discretion to decide notice period of the Managing Director and Whole-time Director. There is no separate provision for payment of severance fees.

Remuneration to Non- Executive Directors:

The Non-Executive Directors are paid remuneration by way of sitting fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board attended by them.

The details of Board and committee composition, tenure of directors, areas of expertise and other details are available in the Corporate Governance Report that forms part of this Annual Report. The policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other employees is posted on the website of the Company <http://shardaispat.com> under the policy tab in Investor section.

13. FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS:

The familiarization program aims to provide insights to the Independent Directors to understand the business of the Company. Upon induction, the independent directors are familiarized with their roles, rights and responsibilities. Your Company provides information to familiarize the Independent Directors with the strategy, operations and functions of the Company.

The Independent Director/s, from time to time, request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

At various Board Meetings, the Board Members are provided with information to help them understand the Company's strategy /policies, business model, operations, products, markets, organization structure, finance, human resources, technology, quality, facilities and risk management, changes in the regulatory environment applicable to the corporate sector and to the industry in which it operates and such other matters as may arise from time to time.

Quarterly information on business performance, operations, safety, market scenario, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, donations, regulatory scenario etc.

The policy on familiarization programmes for Independent Directors is posted on the website of the Company <http://shardaispat.com/investor/policy>.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 134 sub-section (3) (c) and (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Board of Directors hereby states and confirms that:

- (i). In the preparation of the annual accounts for the year ended 31st March, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (ii). The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;

- (iii). The Directors have taken Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv). The Directors have prepared the annual accounts on a 'going concern' basis.
- (v). 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
- (vi). 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.

15. AUDITORS AND THEIR REPORT:

STATUTORY AUDITORS:

M/s. Panpaliya Taori & Co., Chartered Accountants, Nagpur were appointed as the statutory auditors of the Company at the 59th Annual General Meeting (AGM) of the Company held on 11th December, 2020 for a fixed first term of 5 years from the conclusion of 59th Annual General Meeting until the conclusion of the 64th Annual General Meeting to be held for the Financial Year 2024-25.

The Board of Directors, on the recommendation of the Audit Committee has, subject to the approval of the members re-appointed M/s. Panpaliya Taori & Co. for a second term of 5 (five) consecutive years from the conclusion of the ensuing 64th Annual General Meeting till the conclusion of the 69th Annual General Meeting of the Company to be held in 2030. Accordingly, the Notice convening the ensuing Annual General Meeting carries the required resolution along with the explanatory statement with respect to the proposed re-appointment of M/s. Panpaliya Taori & Co. as statutory auditors. M/s. Panpaliya Taori & Co., Statutory Auditors, have confirmed that they are eligible for being appointed as Statutory Auditors of the Company for the second term of five years.

During the year 2024 - 2025, no frauds have either occurred or noticed and/or reported by the Statutory Auditors under Section 143 (12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended from time to time). The observations, if any, made by the Statutory Auditors in their Audit Report read with the relevant notes thereof as stated in the Notes to the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025 are self-explanatory and being devoid of any reservation, qualification or adverse remark etc.; and do not call for any further information/ explanation or comments from the Board under Section 134 (3) (f) (i) of the Companies Act, 2013. During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

COST AUDITORS:

Pursuant to Section 148 (1) of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government. Accordingly, cost records have been maintained by the Company.

Pursuant to Section 148 (2) of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a Cost Auditor.

The cost audit report for the financial year 2023-24 was filed with the Ministry of Corporate Affairs. The Cost Audit Report was filed in XBRL mode on 02nd September, 2024. M/s. Narendra Peshne & Associates, Cost and Management Accountants, were appointed as the Company's Cost Auditor.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Narendra Peshne & Associates, Cost and Management Accountants, Nagpur (Firm Registration Number:100269) for conducting the cost audit of the Company for Financial Year 2025-26.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, resolution seeking members ratification for remuneration to be paid to Cost Auditors is included at Item No.3 of the Notice convening Sixty-fourth Annual General Meeting.

SECRETARIAL AUDITORS:

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Board had appointed M/s. Sunil Kumar Sharma and Associates, Practicing Company Secretaries, Nagpur, to undertake Secretarial Audit of the Company for the Financial Year 2024-25. The Secretarial Audit Report for the Financial Year ended March 31, 2025, is annexed herewith as Annexure-5.

With reference to the comment of the secretarial auditors regarding-

The Company has not paid listing fee to Calcutta Stock Exchange and the Status of the Company as viewed on the website of Calcutta Stock Exchange, is suspended.

The necessary clarification/ explanation on the qualification/ adverse remark in the Secretarial Audit Report is given below:

The Company has stepped up and is in the process to expel the suspension from Calcutta Stock Exchange.

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on the basis of the recommendations of the Audit Committee, the Board of Directors have recommended the appointment of M/s.

Sunil Kumar Sharma and Associates, Practicing Company Secretaries, Nagpur (Unique Code Number - S2014MH248700 and Peer Review Certificate No. 2547/2022) as the Secretarial Auditors of the Company to hold office for a period of 5 (Five) consecutive years from the conclusion of the ensuing Sixty-Fourth Annual General Meeting till the conclusion of the Sixty-ninth Annual General Meeting of the Company to be held in 2030. Necessary resolution for appointment of M/s. Sunil Kumar Sharma and Associates is placed in the Notice of the ensuing Sixty-Fourth Annual General Meeting for consideration of the Members.

16. CORPORATE SOCIAL RESPONSIBILITY:

A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, along with the details of the Corporate Social Responsibility CSR initiatives undertaken during the year under review, is provided in Annexure-4 of this Report. The disclosure is in accordance with the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Pursuant to the amendment to Section 135 of the Companies Act, 2013, effective from January 22, 2021, the requirement to constitute a Corporate Social Responsibility (CSR) Committee is not applicable where the amount to be spent on CSR activities does not exceed ₹50 lakh. In line with this amendment, the Board of Directors dissolved the CSR Committee with effect from November 11, 2022.

The CSR policy has been hosted on the Company's website and is available on the link <http://shardaispat.com/> under the head policies under the Investor's section. It lays down the purpose of formulation of the policy, areas of focus, composition of the Committee and CSR budget.

17. CORPORATE GOVERNANCE:

Your Company is committed to adopt the best standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The Corporate Governance Report as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

The requisite certificate from Secretarial Auditors of the Company viz. M/s. Sunil Kumar Sharma & Associates, Practicing Company Secretaries, Nagpur certifying compliance of the conditions of Corporate Governance is attached to Corporate Governance Report.

18. DISCLOSURES

NUMBER OF MEETINGS OF THE BOARD:

During the Financial Year 2024-25, Five Meetings of the Board of Directors of the Company were convened and held on (i) 21st May, 2024, (ii) 13th August, 2024, (iii) 19th September, 2024 (iv) 12th November, 2024 and (v) 06th February, 2025. The intervening gap between the meetings was within the period prescribed under the

Companies Act, 2013 and the SEBI Listing Regulations. The details of meetings of Board of Directors are available in the Corporate Governance Report which forms part of this Annual Report.

PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

The particulars of Loans given and investments made by the Company as covered under the provisions of Section 186 of the Companies Act, 2013 are given in financial statements (Ref. Notes No. 6, 12, 35 and 40). The loans given are utilized by the recipient for their business purposes. The Company has not extended corporate guarantee or securities granted on behalf of any other Company. Members are requested to refer the notes for details, which are not repeated here for the sake of brevity.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to the Financial Statements. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial information; complying with applicable statutes; safeguarding assets from unauthorized use; ensuring that transactions are carried out with adequate authorization and complying with Corporate Policies and Processes. During the year, such controls were tested and no reportable material weaknesses in the design or operations were observed. Details on the Internal Financial Controls of the Company forms part of Management Discussion and Analysis.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business to further the business interests of the Company. Prior approval of Audit Committee is obtained for related party transactions. All material related party transactions and their material modifications, if any, were entered into after being approved by the Company's shareholders. A statement showing the Related Party Transactions entered into by the Company pursuant to the prior approval is reviewed by the Audit Committee on quarterly basis.

Pursuant to Section 134 of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, the particulars of transactions with related parties, are provided in Form AOC-2, which is enclosed herewith as Annexure-1. Details of related party transactions entered into by the Company, in terms of Ind AS 24 have been disclosed in Note No. 35 to the Financial Statements. (Please refer Note No. 12 and 35 of the financial statements).

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <http://shardaispat.com> under the head policy in Investor section.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The information on conservation of energy, technology absorption and foreign exchange outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure-2.

ANNUAL RETURN:

In accordance with Section 92 (3) read with Section 134 (3)(a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2024, filed with Registrar of Companies, is available on the Website of the Company <https://shardaispat.com/> and can be accessed at <https://shardaispat.com/investor/annual-return/>. The Company shall upload the Annual Return as on March 31, 2025 on the website of the Company, once it is filed with Registrar of Companies.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are annexed to this Report as Annexure-3.

The details of top ten employees of the Company is annexed as Annexure-3A to this Report.

None of the Employee has drawn the remuneration more than the limit prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RISK MANAGEMENT:

Risk management is an ongoing process involving the identification, analysis, evaluation, and mitigation of potential loss exposures. It also includes monitoring risk controls and financial resources to reduce the adverse impact of such exposures. Organizations that adopt a strategic approach to risk management are better positioned to instill stakeholder confidence and achieve improved business outcomes.

At our Company, risk management is an integral part of strategic planning and decision-making. We continuously identify and assess uncertainties that may affect our objectives, and accordingly, develop both short-term and long-term mitigation

strategies. This process is collaborative, with valuable inputs gathered from employees across all levels of the organization.

The Audit Committee provides additional oversight, particularly in relation to financial risks and internal controls. Major risks identified across various business functions are systematically evaluated and addressed through ongoing mitigation measures.

The Company has implemented a comprehensive Risk Management Policy that outlines the processes for risk identification, assessment, and mitigation. In the opinion of the Board, there are currently no risks that threaten the existence of the Company. A detailed discussion on risk factors and their mitigation measures is included in the Management Discussion and Analysis section of the Annual Report. The Risk Management Policy is also available on the Company's website at: <http://shardaispat.com/investor/policy>.

SECRETARIAL STANDARDS:

During the financial year 2024-25, the Company has duly complied with the applicable Secretarial Standards, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard-2 ('SS-2') on General Meetings issued by the Institute of Company Secretaries of India and approved by Central Government under Section 118 (10) of the Companies Act, 2013.

GENDER-WISE EMPLOYEE COMPOSITION:

As of the date of this report, there are 1 (one) female employee, 46 (forty-six) male employees, and no transgender employees. The above figures include contract labour.

GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

1. Details relating to deposits covered under Chapter V of the Companies Act, 2013.
2. During the year under review, the Company has not borrowed an unsecured loan from any of the Directors of the Company.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
5. Buy-back of the Equity Shares.
6. No significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's future operations.
7. There are no such shares of the Company which are to be kept in the shares suspense account.

8. Under the Insolvency and Bankruptcy Code 2016, no applications were made during the financial year 2024-25 by or against the Company and there are no proceedings pending as of the end of the financial year.
9. The Company has not made any application for one time settlement with any of its lenders. There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.
10. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013].

Furthermore, the directors also state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed thereunder.

The details as per Sub-rule (5) of Rule 8 of Companies (Accounts) Rules, 2014, are as under:

| Sr.No. | Particulars | |
|---------------|--|-----|
| 1. | Number of complaints of sexual harassment received in the year | Nil |
| 2. | Number of complaints disposed off during the year | Nil |
| 3. | Number of cases pending for more than ninety days | Nil |

11. The Company has complied with provisions relating to the Maternity Benefit Act, 1961.

ACKNOWLEDGEMENT:

The Board extends its heartfelt gratitude to the shareholders, bankers and lenders, investors, vendors, and the State and Central Government authorities for their unwavering support. We are equally thankful to our valued customers for their continued trust. We look forward to their continued support in the future. The Board also sincerely acknowledges and appreciates the dedication, hard work, and commitment of all employees across at all levels.

For and on behalf of the Board of Directors
Sd/-

Date: 13.08.2025
Place: Nagpur

Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32,
Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010

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-

Sharda Ispat Limited

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

| Sl No. | Particulars | Details |
|--------|--|---------|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | -- |
| 2 | Name(s) of the related party | -- |
| 3 | Nature of Relationship | -- |
| 4 | Nature of contracts/arrangements/transactions | -- |
| 5 | Duration of the contracts/arrangements/transactions | -- |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | -- |
| 7 | Justification for entering into such contracts or arrangements or transactions | -- |
| 8 | Date of approval by the Board | -- |
| 9 | Amount paid as advances, if any | -- |
| 10 | Date on which the resolution was passed in general meeting as required under first proviso to section 188 | -- |
| 11 | SRN of MGT-14 | -- |

Annexure 1 to Board's Report

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

| Sl No. | Particulars | Details |
|--------|--|---|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | AIIPS6284L |
| 2 | Name(s) of the related party | Shri Nandkishore Sarda |
| 3 | Nature of relationship | Chairman and Managing Director of the Company |
| 4 | Nature of contracts/arrangements/transactions | Remuneration paid to Chairman and Managing Director |
| 5 | Duration of the contracts/arrangements/transactions | 5 years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Rs. 60.00 Lakhs Per Annum |
| 7 | Date(s) of approval by the Board, if any | 14-02-2022 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | AKHPS6172N |
| 2 | Name(s) of the related party | Smt. Poonam Sarda |
| 3 | Nature of relationship | Whole-time Director of the Company |
| 4 | Nature of contracts/arrangements/transactions | Remuneration paid to Whole-time Director |
| 5 | Duration of the contracts/arrangements/transactions | 5 years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Rs. 48.00 Lakhs Per Annum |
| 7 | Date(s) of approval by the Board, if any | 14-02-2022 |
| 8 | Amount paid as advances, if any: | -- |

Annexure 1 to Board's Report

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | AIIPS6283P |
| 2 | Name(s) of the related party | Smt. Ashadevi Sarda |
| 3 | Nature of relationship | Wife of Shri Nandkishore Sarda, Chairman and Managing Director of the Company. |
| 4 | Nature of contracts/arrangements/transactions | Land admeasuring 1.492 acres taken on lease for using as Registered office of the Company. |
| 5 | Duration of the contracts/arrangements/transactions | Permanent Lease |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Rent Rs. 0.48 Lakhs Per Annum |
| 7 | Date(s) of approval by the Board, if any | 21-05-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | AIIPS6282N |
| 2 | Name(s) of the related party | Shri Anand Sarda |
| 3 | Nature of relationship | Son of Shri. Nandkishore Sarda (CMD) and husband of Smt.Poonam Sarda (WTD & CFO) |
| 4 | Nature of contracts/arrangements/transactions | Consultancy Services |
| 5 | Duration of the contracts/arrangements/transactions | On going |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual | Availing technical consultancy services for the |

Annexure 1 to Board's Report

| | | |
|---|--|---|
| | amount | repairs and maintenance of machines and equipments at the company's plant located at Kamptee Road, Nagpur. Maximum Rs. 10.00 Lakhs Per Annum. |
| 7 | Date(s) of approval by the Board, if any | 21-05-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U51109MH1994PTC376257 |
| 2 | Name(s) of the related party | M/s. Kyoto Merchandise Private Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda, Chairman and Managing Director of the Company is a Member of M/s. Kyoto Merchandise Private Limited. |
| 4 | Nature of contracts/arrangements/transactions | Unsecured Loan |
| 5 | Duration of the contracts/arrangements/transactions | Three (3) years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Unsecured Loan given for business purpose upto Rs. 5000 Lakhs |
| 7 | Date(s) of approval by the Board, if any | 13-08-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|------------|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | AAEFS5192D |

Annexure 1 to Board's Report

| | | |
|---|---|--|
| 2 | Name(s) of the related party | Sharda Dharamkanta |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) and Smt. Poonam Sarda (Whole-time Director) are the partners of Sharda Dharmkanta |
| 4 | Nature of contracts/arrangements/transactions | Truck hire charges |
| 5 | Duration of the contracts/arrangements/transactions | On going |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Availing of Weighment and Transportation Services at market price from time to time. Transaction Value not exceeding Rs. 1.80 Lakhs in the Financial Year 2024-25. |
| 7 | Date(s) of approval by the Board, if any | 21-05-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U27310MH2010PLC198882 |
| 2 | Name(s) of the related party | Sharda Ispat Industries Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) is also a Director of Sharda Ispat Industries Limited. |
| 4 | Nature of contracts/arrangements/transactions | Land admeasuring 4.323 acres taken on lease for using as Registered office of the Company. |
| 5 | Duration of the contracts/arrangements/transactions | Five (5) years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Rent Rs. 67,20,000/- Per Annum (Exclusive of Taxes) |
| 7 | Date(s) of approval by the Board, if any | 14-02-2022 |
| 8 | Amount paid as advances, if any: | -- |

Annexure 1 to Board's Report

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

| Sl No. | Particulars | Details |
|--------|--|---|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U27100MH2005PLC154167 |
| 2 | Name(s) of the related party | Shardashree Ispat Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) is also a Managing Director of Shardashree Ispat Limited. |
| 4 | Nature of contracts/arrangements/transactions | Sale of Billet, Round, other store materials consumable items and waste and scraps |
| 5 | Duration of the contracts/arrangements/transactions | On going |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Sale of goods at market price.Transaction Value not exceeding Rs. 150.00 Lakhs in the Financial Year 2024-25. |
| 7 | Date(s) of approval by the Board, if any | 21-05-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|---|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U27100MH2005PLC154167 |
| 2 | Name(s) of the related party | Shardashree Ispat Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) is also a Managing Director of Shardashree Ispat Limited. |
| 4 | Nature of contracts/arrangements/transactions | Purchase of square bar, |

Annexure 1 to Board's Report

| | | |
|---|---|--|
| | | other store materials, consumable items and waste and scrap |
| 5 | Duration of the contracts/arrangements/transactions | On going |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Purchase of goods at market price. Transaction Value not exceeding Rs. 500.00 Lakhs in the Financial Year 2024-25. |
| 7 | Date(s) of approval by the Board, if any | 21-05-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|---|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U27100MH2005PLC154167 |
| 2 | Name(s) of the related party | Shardashree Ispat Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) is also a Managing Director of Shardashree Ispat Limited. |
| 4 | Nature of contracts/arrangements/transactions | Unsecured Loan |
| 5 | Duration of the contracts/arrangements/transactions | Three (3) years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Unsecured Loan taken for business purpose upto Rs. 4000 Lakhs. |
| 7 | Date(s) of approval by the Board, if any | 13-08-2024 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|-----------------------|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or | U34200MH1981PLC251543 |

Annexure 1 to Board's Report

| | | |
|---|---|--|
| | any other registration number | |
| 2 | Name(s) of the related party | Sharda Auto Industries Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) and Smt. Poonam Sarda (Whole-time Director) are also Directors of Sharda Auto Industries Limited |
| 4 | Nature of contracts/arrangements/transactions | Sale of Spring Steel, Flat and Bars |
| 5 | Duration of the contracts/arrangements/transactions | Five (5) years |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Sale of goods to the above party at market price from time to time. Transaction Value not exceeding Rs. 25,000 Lakhs. |
| 7 | Date(s) of approval by the Board, if any | 30-05-2022 |
| 8 | Amount paid as advances, if any: | -- |

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

| Sl No. | Particulars | Details |
|--------|--|--|
| 1 | Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number | U34200MH1981PLC251543 |
| 2 | Name(s) of the related party | Sharda Auto Industries Limited |
| 3 | Nature of relationship | Shri Nandkishore Sarda (Chairman and Managing Director) and Smt. Poonam Sarda (Whole-time Director) are also Directors of Sharda Auto Industries Limited |
| 4 | Nature of contracts/arrangements/transactions | Purchase of packing strip |
| 5 | Duration of the contracts/arrangements/transactions | On going |
| 6 | Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount | Purchase of packing strip, store materials, consumable items, coal dust and waste and scrap. Transaction Value not exceeding Rs. 5.00 |

Annexure 1 to Board's Report

| | | |
|---|--|--------------------------------------|
| | | Lakhs in the Financial Year 2024-25. |
| 7 | Date(s) of approval by the Board, if any | 13-08-2024 |
| 8 | Amount paid as advances, if any: | -- |

For and on behalf of the Board of Directors

Sd/-

Date: 13.08.2025

Place: Nagpur

Nandkishore Sarda

Chairman & Managing Director

DIN: 00229911

**Address: Plot No. 32, Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

(A) CONSERVATION OF ENERGY:

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. Effective measures such as improved operation and maintenance practices have been taken to minimize the loss of energy as far as possible.

(B) TECHNOLOGY ABSORPTION:

The technology used for the existing project is fully indigenous. The production department of the Company has been always in pursuit of finding ways and means to improve the performance, quality and cost effectiveness of products. The consistent efforts are made for the updation of technology being used by the Company as a continuous exercise. The Company does not have a separate Research & Development activity.

The below-mentioned benefits are derived.

- To cater customer requirements, addition of new products and sizes
- Reduction in cost of the process
- Product improvements
- Improvement in on stream line
- Environment protection and effluent quality improvement
- Reheating of furnace modification

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

| | |
|--|---|
| a. The details of technology imported | No technology imported during last three years. |
| b. The year of import | |
| c. Whether the technology been fully absorbed | |
| d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof | |

The expenditure incurred on Research and Development.

- a. Capital
- b. Recurring
- c. Total
- d. Total R & D expenditure as a percentage of total turnover

The development work is carried out by the concerned departments on an ongoing basis. The expenses and the cost of assets are grouped under the respective heads.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- 1. The company has not affected any import or export during the year ended 31.03.2025.
- 2. The inflow of foreign exchange is Nil.
- 3. The outflow of foreign exchange is Nil.

Form 'A'
(Form for Disclosure of Particulars with respect to Conservation of Energy)

| | March 2025 | March 2024 |
|---|-------------|-------------|
| D. Power and Fuel Consumption | | |
| 1. Electricity: | | |
| a). Purchased : Units (No.) | 25,16,976 | 27,52,180 |
| Total Amount (Rs.) | 3,08,08,833 | 3,05,52,254 |
| Average Rate/ Unit (Rs.) | 12.24 | 11.10 |
| b). Own Generation | Nil | Nil |
| 2. Steam Coal | | |
| Quantity (Tonnes) | 3,068 | 3,412 |
| Total Cost (Rs.) | 3,32,19,021 | 3,97,72,949 |
| Average Rate/ Tonne (Rs.) | 10,829 | 11,656 |
| 3. Furnace Oil: | | |
| Quantity (K. Ltrs.) | Nil | Nil |
| Total Amount (Rs.) | Nil | Nil |
| Average Rate/ K. Ltrs (Rs.) | Nil | Nil |
| 4. Other / Internal Generation | | |
| Products (with details) Unit | Nil | Nil |
| Rolled Iron & Steel (in MT) | 26,446 | 32,874 |
| Electricity (in Units) | 95.18 | 83.72 |
| Furnace Oil (Secondary Fuel) (in Ltrs.) | Nil | Nil |
| Coal (Steam Coal 'B' Grade) (in MT) excluding Shell & Dust | 0.116 | 0.104 |
| Other (Specify) | Nil | Nil |

For and on behalf of the Board of Directors
Sd/-

Date: 13.08.2025

Place: Nagpur

Nandkishore Sarda
Chairman & Managing Director
DIN: 00229911
Address: Plot No. 32, Cement Road,
Shivaji Nagar, Shankar Nagar,
Nagpur-440010

Annexure 3 to Board's Report

The information required under Section 197 (12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The percentage increase or decrease in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year 2024-25, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25:

| Sr. No. | Name of Director/KMP and Designation | Remuneration of Director / KMP for Financial Year 2024-25 (Amount in Rs.) | % increase/ (decrease) in Remuneration in the Financial Year 2024-25 | Ratio of remuneration of each Director/ to median remuneration of employees (times) |
|---------|---|---|--|---|
| 1. | Shri Nandkishore Sarda (Chairman & Managing Director) | 60,00,000 | No Change | 13.97 |
| 2. | Smt. Poonam Sarda (Whole-time Director & Chief Financial Officer) | 48,00,000 | No Change | 11.18 |
| 3. | Shri Amit B. Mundada (Company Secretary & Compliance officer) | 6,50,000 | 14.03% | -- |

2. The median remuneration of employees of the Company during the financial year 2024-25 was Rs. 4,29,402/- per annum.
3. In the financial year 2024-25, there was increase of 6.71% in the median remuneration of employees.
4. There were 28 permanent employees on the rolls of the Company as on March 31, 2025.
5. Average percentile increase 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 :

Percentage increment in the salaries of employees other than the managerial personnel at 50th Percentile is 11.17%. There was no change in managerial remuneration for the same period.

6. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, key managerial personnel and other employees.

For and on behalf of the Board of Directors

Sd/-

Nandkishore Sarda

Chairman & Managing Director

DIN: 00229911

Address: Plot No. 32,

Cement Road, Shivaji Nagar,

Shankar Nagar, Nagpur-440010

Date: 13.08.2025

Place: Nagpur

"ANNEXURE – 3A"

Statement showing the names of the top ten employees in terms of remuneration drawn
Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Name of the employee | Designation | Remuneration/ Salary Received | Nature of employment, whether contractual or otherwise | Qualifications and Experience | Date of commencement of the employment | Age | Last employment held | Percentage of equity shares held | Relationship with other Directors |
|---------|----------------------|--|-------------------------------|--|---|--|-----|----------------------|----------------------------------|-----------------------------------|
| 1 | Nandkishore Sarda | Chairman and Managing Director | 60,00,000.00 | Contractual | Bsc & 58 Years | 21.11.1967 | 75 | N.A. | 6.36 | YES |
| 2 | Poonam Sarda | Whole- Time Director and Chief Financial Officer | 48,00,000.00 | Contractual | CA (Inter & LLB) & 15 Years | 21.01.2010 | 53 | N.A. | 2.52 | YES |
| 3 | Ravi Iyer | Vice President | 28,81,392.00 | Permanent | Bsc,DBM and LLB 2nd Year and 46 years | 01.06.2016 | 69 | N.A. | NIL | NO |
| 4 | Anand Motghare | Assistant General Manager (Administartion) | 8,50,842.00 | Permanent | M.com 39 years | 02.06.2008 | 63 | N.A. | NIL | NO |
| 5 | C.N. Panchariya | Assistant General Manager (Purchase) | 6,97,957.00 | Permanent | BA and 33 years | 01.07.1992 | 58 | N.A. | NIL | NO |
| 6 | Amit B.Mundada | Company Secretary & Compliance officer | 6,50,000.00 | Permanent | BBA, MBA (Finance), CS & LLB and 11 years | 01.12.2014 | 42 | N.A. | NIL | NO |
| 7 | Deorao Burade | Electrician | 6,06,949.00 | Permanent | SSC and 22 years | 01.07.2003 | 61 | N.A. | NIL | NO |
| 8 | Kushal Dawande | Mill Supervisor | 5,01,470.00 | Permanent | HSC 33 years | 01.03.2005 | 60 | N.A. | NIL | NO |
| 9 | S. S. Jambhulkar | Assistant Quality Control Incharge | 4,92,930.00 | Permanent | HSC 37 years | 01.04.1988 | 64 | N.A. | NIL | NO |
| 10 | P.N. Karemore | Assistant Dispatch Officer | 4,79,468.00 | Permanent | HSC 29 years | 01.07.1996 | 59 | N.A. | NIL | NO |

For and on behalf of the Board of Directors

Sharda Ispat Limited

Sd/-

Nandkishore Sarda

Chairman & Managing Director

DIN: 00229911

**Address: Plot No. 32,
Cement Road, Shivaji Nagar,
Shankar Nagar, Nagpur-440010**

Date: 13.08.2025

Place: Nagpur

Annual Report on Corporate Social Responsibility (CSR) Activities
[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies
(Corporate Social Responsibility Policy) Rules, 2014]
For the Financial Year 31st March, 2025.

1. Brief outline on CSR Policy of the Company:

CSR Policy provides guideline of the methodologies and areas for choosing and implementing the Company's CSR Projects. The major sections covered under the said Policy include Education, Health Care, Rural Infrastructure, Sanitation and Self-employment Generation, Vocational Skills, Empowerment of Women and Youth, Environment Sustainability, Protection and Development of National Heritage, Art Culture, Public Libraries, Social Causes & Disaster Management.

2. Composition of CSR Committee: Not Applicable

Pursuant to the amendment in the provisions of Section 135 of the Companies Act, 2013, effective from 22nd January, 2021, the requirement for the constitution of the Corporate Social Responsibility Committee shall not be applicable, where the amount to be spent by a company towards the Corporate Social Responsibility does not exceed rupees fifty lakhs. The Board was dissolved the Corporate Social Responsibility Committee with effect from 11th November, 2022.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:

Web-link: <http://shardaispat.com/investor/policy>.

4. Provide 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, if applicable.

Not applicable for Financial Year 2024-25.

5. (a). Average net profit of the Company as per Section 135 (5): Rs. 9,42,10,996/-

| | | | |
|---|-----|--|---------------|
| 5 | (b) | Two percent of average net profit of the Company as per Section 135 (5) | Rs. 18,84,220 |
| | (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 | Rs. 27,300 |
| | (e) | Total CSR obligation for the financial year ((b)+(c)-(d)) | Rs. 18,56,920 |

| | | | |
|---|-----|--|---------------|
| 6 | (a) | Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | Rs. 19,00,000 |
| | (b) | Amount spent in Administrative overheads | Nil |
| | (c) | Amount spent on Impact Assessment, if applicable. | Nil |

Annexure 4 to Board's Report

| | | |
|-----|---|---------------|
| (d) | Total amount spent for the Financial Year [(a)+(b)+(c)] | Rs. 19,00,000 |
|-----|---|---------------|

(e) CSR amount spent or unspent for the Financial Year:

| | Amount Unspent (in Rs.) | | | | |
|---|---|------------------|---|--------|------------------|
| Total Amount Spent for the Financial Year. (in Rs.) | Total Amount transferred to Unspent Corporate Social Responsibility Account as per sub-section (6) of Section 135 | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of Transfer |
| Rs. 19,00,000/- | Nil | N. A. | N.A. | Nil | N.A. |

(f) Excess amount for set-off, if any:

| Sr.No. | Particulars | Amount (in Rs.) |
|--------|---|-----------------|
| (1) | (2) | (3) |
| (i). | Two percent of average net profit of the Company as per sub-section 5 of Section 135 | Rs. 18,56,920 |
| (ii). | Total amount spent for the Financial Year | Rs. 19,00,000 |
| (iii). | Excess amount spent for the financial year [(ii)-(i)] | Rs. 43,080 |
| (iv). | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | -- |
| (v). | Amount available for set off in succeeding financial years [(iii)-(iv)] | Rs. 43,080 |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------|-----------------------------|---|---|--|--|--|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
| | | | | | Amount (In Rs.) | Date of transfer | |
| 1 | 2023-24 | NOT APPLICABLE | | | | | |
| 2. | 2022-23 | | | | | | |
| 3. | 2021-22 | | | | | | |

Annexure 4 to Board's Report

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility 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 sub-section (5) of section 135. Not applicable

Place: Nagpur
Date: 13.08.2025

Nandkishore Sarda
Chairman and Managing Director of the Company

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31-03-2025
[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. Sharda Ispat Limited,
(CIN:L74210MH1960PLC011830)
Kamptee Road,
Nagpur-440026 (Maharashtra)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Sharda Ispat Limited (hereinafter called the Company). The Secretarial Audit was conducted 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, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ;(Not applicable to the Company during the Audit Period);
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;(Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013] (Not applicable to the Company during the Audit Period);
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the Audit Period);
 - i. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; (Not applicable to the Company during the Audit Period);
 - j. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
 - k. The other Regulations, Circulars and Guidelines [as amended] of Securities and Exchange Board of India ['SEBI'] to the extent and as may be applicable to the Company during the audit period.

1. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(vi) Other laws applicable to the Company as per their presentations made by the Company.

I have also examined compliance with the applicable clauses of the following/s:-

1. The Secretarial Standards [SS-1 for Meetings of the Board of Directors and SS-2 for General Meetings] issued by The Institute of Company Secretaries of India.
2. The Uniform Listing Agreement/s entered into by the Company with BSE Limited and The Calcutta Stock Exchange Association Ltd., Calcutta [CSE] pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended], ['Listing Regulations'].

During the period under review and as per the representations and clarifications made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the Company has not paid listing fee to Calcutta Stock Exchange and the Status of the Company, as viewed on the website of the Calcutta Stock Exchange, is Suspended.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period under review, were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.
- As per the minutes of the meetings duly recorded and signed by the Chairman, all decisions at the Board and its Committee Meeting/s were unanimous and there were no dissenting views that need to be recorded.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Annexure 5 to Board's Report

I further report that, during the audit period (Financial Year 2024-25 ended 31st March, 2025), there were no specific events or actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Circulars, Guidelines, Standards, etc. having a major bearing on the Company's affairs.

For Sunil Kumar Sharma & Associates
Company Secretaries

Sd/-
Sunil Kumar Sharma
(Proprietor)
FCS 10043, CP No. 12708
UDIN: F010043G000992684
Date : 13/08/2025
Place : Nagpur

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

"Annexure – A'

To,
The Members
Sharda Ispat Limited,
(CIN:L74210MH1960PLC011830)
Kamptee Road, Nagpur -440026

My Secretarial Audit 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. The compliance of applicable Financial Laws, like Direct and Indirect Tax laws, has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
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 is the responsibility of management. My examination was limited to the verification of procedure on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Sunil Kumar Sharma & Associates
Company Secretaries

Sd/-
Sunil Kumar Sharma
(Proprietor)
FCS 10043, CP No. 12708
UDIN: F010043G000992684
Date : 13/08/2025
Place : Nagpur

MANAGEMENT DISCUSSION AND ANALYSIS:

The operating and financial review is intended to convey the management's perspective on the financial and operating performance of the Company for the financial year 2024-2025 and outlook for the current financial year. This report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. This report is an integral part of the Board's Report.

INDUSTRY STRUCTURE AND DEVELOPMENT

GLOBAL ECONOMY:

In 2024, the global economy grew at a rate of 2.8%. After continuously enduring multiple shocks in previous years - including geopolitical conflicts such as the Russia-Ukraine conflict, conflict in middle east, pandemic aftereffects, and supply chain disruptions, the global economy demonstrated steady & resilient growth. The global economy is expected to grow by 2.3% in 2025. The tension around trade and high levels of policy uncertainty are expected to have a significant impact on the economic activity. Global inflation is expected to moderate to 4.3% in 2025 and 3.6% in 2026, approaching central bank targets. While advanced economies are likely to contain inflation more effectively than emerging markets, rise in protectionism and geopolitical tensions around trade will significantly impact prices of domestic products especially in United States.

In Financial Year 2025, the global economy experienced moderated growth, influenced by persistent inflationary pressures, tight monetary policies in developed markets and geopolitical uncertainties. These factors contributed to cautious consumer spending and disrupted global trade flows. Amid trade uncertainties, global growth is expected to slow to 2.3% in 2025 from 2.7% in 2024.

In Current Year 2025, advanced economies are expected to experience diverse growth on the basis of domestic demand and differing policy responses. In contrast, emerging markets, including China and India, are expected to maintain a stable growth despite ongoing uncertainties in global markets. Advanced economies are forecasted to grow moderately at 1.9% in Current Year 2025 and 1.8% in the Year 2026. Although inflationary pressures have eased, there are still ongoing risks, including uncertainty surrounding policy decisions and heightened geopolitical tensions. The recent volatility in global markets was triggered by changes in U.S. tariff regulations, following the announcement of a 26% import tariff. Although the tariff was later suspended for a period of 90 days, the sudden policy reversal created uncertainty. This ongoing lack of clarity has continued to weigh on investor confidence and global market sentiment. Despite these challenges, economies are expected to adapt by leveraging technology and strategic planning to maintain resilience and stability.

INDIAN ECONOMY:

Amid economic environment including slowdown in manufacturing, geopolitical conflicts, and protectionist trade policy measures, India displayed steady economic growth. With its sustained GDP growth momentum, it has solidified its position as a frontrunner in the global economic race. Indian economy is estimated to have grown by 6.5% in Financial Year 2025 and emerged as the fastest growing major economies in the world consistently. India's growth is expected to remain rangebound, 6% - 6.5%, in the next couple of years. The economy is expected to be driven by strong domestic consumption, government capital expenditure, and robust expansion in the services and manufacturing sectors.

India is one of the world's fastest-growing economies, driven by strong domestic demand, a thriving services sector and ongoing structural reforms. However, the recent U.S. tariffs on Indian imports may slow GDP growth, impact key industries and prompt policy adjustments, while pushing India to strengthen trade ties with other partners. In Financial Year 2024-25, India's GDP growth moderated to 6.5%, down from 9.2% in the previous year, reflecting the impact of global economic uncertainties, rising geopolitical tensions, tariff challenges, and persistent inflationary pressures. Despite this deceleration, the economy continued to grow steadily, underpinned by strong performance in manufacturing, a rapidly expanding services sector, and increased infrastructure spending. Government initiatives aimed at digital transformation, financial inclusion, and improving the ease of doing business contributed to economic resilience. The Production-Linked Incentive (PLI) schemes played a key role in bolstering domestic manufacturing and attracting foreign direct investment, particularly in sectors like electronics, automotive, and renewable energy. Additionally, rising urbanization and the expansion of the middle class continued to drive higher consumer spending, further supporting economic momentum.

The Government of India continues to prioritize fiscal consolidation, job creation, and enhanced capital investment to drive sustainable growth. The increasing share of capital expenditure in central government spending reflects a strategic focus on industrial development and infrastructure expansion. Higher investments in infrastructure and asset creation are expected to generate strong multiplier effects across the economy. The PLI scheme has successfully attracted investments and stimulated production across various industries. The Government is exploring further sectoral expansion to enhance domestic manufacturing and develop labor-intensive industries. India's economic outlook remains positive, supported by strong domestic demand, proactive policy measures, and resilient sectoral performance. Strengthening trade relations with developed economies is expected to further bolster growth, with the India-UK trade agreement standing out as a significant step in this direction. By capitalizing on its domestic strengths and advancing strategic reforms, India is well-equipped to navigate global headwinds and sustain its momentum as a leading global economic powerhouse.

STEEL INDUSTRY:

The steel sector has historically been a cornerstone of industrial progress, forming the foundation of economic development. However, the past year presented significant challenges for the industry, as global manufacturing activity remained subdued due to low household and business confidence, leading to cautious spending and investment. High input costs, geopolitical uncertainty, and tighter financing conditions have delayed capital investments. The lingering effects of inflation have further eroded purchasing power and consumer sentiment. Additionally, weak housing construction in major markets such as China, the United States, Europe, and Japan has adversely impacted steel demand. The automotive sector, a major consumer of steel, also experienced slowdown in 2024. However, investment in manufacturing facilities and public infrastructure provided some support to global steel demand. Sustained capital expenditure in these areas by major economies played a key role in offsetting weaker demand from traditional sectors.

Global steel prices declined in CY2024 due to weak demand, a struggling Chinese economy, geopolitical tensions and cautious market sentiment amid elections in major economies. While steel demand weakened in China and most developed economies, developing economies like India have demonstrated resilience. China, which accounts for nearly half of the world's steel industry, recorded a 5% decline in consumption in 2024, mainly due to the structural challenges that its real estate industry is witnessing. India has been a key driver of global steel demand growth in recent years. The US administration has removed exemptions on its 25% tariff on steel imports (under section 232 for national security reasons) and brought derivative products under the coverage of tariffs. From an India perspective, the direct impact of the tariff action is likely to be negligible on steel exports, but there could be indirect effects of trade diversions and of increased tariffs on exports of steel-intensive manufacturing sectors, besides the negative macro impulse of tariffs on global steel demand.

According to WSA (World Steel Association) estimates on overall global production, the global steel industry witnessed diverse trends across key producing countries in December 24. India's crude steel production saw a significant increase in December 2024, rising by 9.5% compared to December 2023 and by 9.7% compared to November 2024. For the year 2024, India's production reached 149.6 million tons, marking a 6.3% growth over 2023. This growth highlights India's resilience and continued strength in steel production despite global fluctuations.

OPPORTUNITIES AND THREATS:

OPPORTUNITIES:

India will continue to be one of the fastest-growing economies globally and is expected to become the third-largest economy by Financial Year 2030-31. The Government's continued focus on expanding the manufacturing sector's share of the GDP will play a key role in driving this growth. With growing urbanization, the Government is expected to invest significantly in infrastructure. The steel sector will play a crucial role in meeting

the country's infrastructure and industrial needs, driving India's economic growth. India has emerged as the strongest driver of global steel demand growth for the past three years, with steel demand expected to rise by 8% annually through 2025, while global steel demand faces decline. Further, India is the world's second-largest steel producer and the only major country reporting strong steel volume growth of 33% from 2019 to 2024. The Indian Government has taken initiatives like the National Steel Policy, Product Linked Incentive Scheme, and the Domestically Manufactured Iron & Steel Products policy to promote "Make in India" to boost the domestic growth. Such initiatives will give a push towards increasing production and expansion of the production capacity, and advanced manufacturing capabilities and automation present opportunities for smaller players to enhance productivity and compete with larger manufacturers through technological adoption. The National Steel Policy envisages per capita steel consumption to reach 160 kgs by 2030.

The primary demand drivers include growth in consumption sectors, urbanization, policy interventions and government initiatives such as the National Manufacturing Mission, the Smart Cities Mission, and Production Linked Incentives. CRISIL (March 2025 forecast) has projected India's steel consumption growth to remain robust at 9-10% in FY 2025-26 with flat steel products (projected growth of 12-14%) leading the demand growth, in comparison to long steel products (projected growth of 5.5-7.5%).

Thus, the Company's strategic location in Nagpur, providing access to major automotive clusters and port connectivity, enhances our supply chain efficiency and responsiveness to key industrial regions. It also helps with catering to the increasing demand for specialized and high-strength grades of flats and other products in the automotive sector. Looking ahead, operational scalability through capacity expansion and ongoing modernization efforts will enable the Company to harness opportunities presented by government initiatives and infrastructure investments.

THREATS:

The global steel sector faces chronic overcapacity, tightening trade barriers, and rising geopolitical risk, with the US, European Union, and Japan imposing tariffs and quotas to shield domestic industries. Geopolitical tensions fueled by COVID-19, Russia-Ukraine war, U.S.-China relations, have strong effects on steel manufacturing operations, while the rise of nationalism and protectionism threatens cross-border economic engagement. Despite rapid steel consumption growth in India, higher imports are needed to meet demand, putting local firms under price pressure that erodes profit margins. The cyclical nature of the steel market and potential fluctuations in global demand necessitate continued vigilance and adaptive strategies to maintain resilience.

Even with the developments on the rise and government initiatives, the steel industry and the Company are not free from threats. The Company has to compete with the import of low-cost steel from China to keep its market share at the current position. In addition to this, the trade wars and increased U.S. tariffs pose a threat to export opportunities of the Company. The steel industry faces transformation through hydrogen-based

steelmaking, AI & automation, and additive manufacturing technologies. Companies failing to adopt these technologies risk losing competitiveness, while the investment required for technological upgrades strains smaller manufacturers' resources. The need for continuous innovation to meet automotive industry's evolving requirements adds pressure on specialized manufacturers to invest in Research & Development and advanced manufacturing capabilities. To add more stress, the evolving regulatory landscape, including stricter quality standards, environmental compliance requirements, and changing trade policies, is creating ongoing operational challenges. Furthermore, Geopolitical tensions, competing industries' demand for raw materials, and climate-related mining disruptions pose ongoing risks.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

The Company operates in only one segment, i.e. iron & steel. During the financial year 2024-25, the company achieved production of steel product as under:

Own Unit (MT) – 26,445.76 (Previous Year 32,873.910)

Sales (Rs.) – 17,544.30 Lakhs (Previous Year 22,726.53 Lakhs)

OUTLOOK FOR STEEL INDUSTRY:

The global steel industry, a fundamental driver of industrial growth and infrastructure development, is expected to experience moderate growth in 2025 after navigating a series of challenges in 2024. The World Steel Association's latest forecast (Oct 2024) indicates that global steel demand will increase by 1.2% in 2025, reaching approximately 1,772 million tonnes (Mt). This recovery is expected after a period of subdued demand in 2024, driven by slower-than-expected economic growth in major steel-consuming nations. In contrast, India is expected to be a significant driver of global steel demand, with an anticipated 8% growth in 2025. This surge is primarily attributed to strong infrastructure development and expansion in manufacturing, bolstered by governmental policies to support industrialization and urbanization.

The key determinants of the global steel demand outlook for 2025-2026 will be the progress made in the stabilization of China's real estate sector, effectiveness of interest rate adjustments in spurring private consumption and business investment and the trajectory of infrastructure spending dedicated to decarbonization and digital transformation across major global economies. The Indian Steel Association expects continued growth in steel demand, with sector consolidation attracting investments, creating opportunities for global players. The Production Linked Incentive (PLI) scheme is anticipated to boost especially steel investments. While global steel demand is expected to grow modestly in 2025, India's growth is set to lead due to weak demand from major producers like China and Europe. Domestic supply challenges, such as maintenance shutdowns and rising imports, may be addressed by a proposed safeguard duty, which could stabilize prices.

The overall evolution of steel demand remains subject to very high uncertainty. No improvement in apparent steel consumption is expected before the first quarter of 2026, and consumption volumes are expected to remain far below pre-pandemic levels. Overall, while the global steel demand is poised for recovery in 2025, the industry remains exposed to geopolitical, economic, and financial risks. India, however, continues to stand out as a high-growth market, supported by strong domestic demand and investment. The long-term outlook for the Indian steel industry remains optimistic, with continued infrastructure development, industrial expansion, and supportive government policies driving its growth. Effective trade policies, price stabilisation measures, and sustained investment will be crucial to maintaining India's competitive edge in the global steel market.

RISK & CONCERNS:

The Company operates in a dynamic and increasingly complex environment, marked by volatility, uncertainty, and stringent regulatory and environmental standards. With a commitment to creating long-term value for its stakeholders, the Company focuses on embedding risk intelligence and strengthening organizational resilience. As part of this effort, it continuously identifies potential risks and assigns ownership for their ongoing monitoring, mitigation, and reporting. This proactive approach supports the achievement of the Company's strategic objectives. Key risks have been categorized across several areas, including financial, macroeconomic and market, operational, safety, commodity, supply chain, information security, regulatory, climate change, and community-related risks.

The Company has also mapped the severity of these risks and the likely impact on the Company and has developed mitigation strategies to eliminate or minimize the impact of the risks.

For instance, fast paced technological changes and shifting customer preferences may necessitate adoption of newer grades of steel and/or alternate materials.

Alongside identification of risks, the Company has a continuous process of monitoring and leveraging opportunities presented by the external and internal environment. For mitigating the risk of statutory compliances, the Company has the procedure in place for monthly reporting of compliance of statutory obligations, and has reported to the Board of Directors at the Board meetings.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal control systems are an integral part of any organization to safeguard its assets & interests and the Company always puts greater emphasis on strengthening and reviewing its control systems in place for continuous improvement. The company has well established and effective system of internal controls corresponding to its size, nature of business & complexity of operations. The system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable

statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

The internal control system is supplemented by internal audits and its review by the management on a periodic basis. The Company has availed the services of independent professional firms for Internal Audit, which checks the effectiveness of the internal controls with an objective to provide an independent, objective and reasonable assurance of the adequacy and effectiveness of your Company's risk management, control and governance processes. Such audit ensures and evaluates the effectiveness of the internal control structure on a regular basis. Such controls have been assessed during the year, after taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

The scope and authority of the internal activity are approved by the Audit Committee. The Internal Auditor reports directly to the Audit Committee of the Board. Based on the report of the Internal Auditor, process owners undertake corrective actions in their respective areas and thereby strengthen the control. Audit Committee periodically reviews the Internal Audit Reports and issues guidance and advice. Minutes of the Audit Committee are put up to the Board of Directors. The Company's Audit Committee reviews adherence to internal control systems, internal audit reports and legal compliances. This committee reviews all quarterly and yearly results of the Company and recommends the same to Board for its approval.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the fiscal year 2024-25, the Company achieved the sales turnover of Rs. 17,544.30 Lakhs (26,445.76 MT) as against Rs. 22,726.53 Lakhs (32,873.910 MT) during the previous year. After providing depreciation of Rs. 84.03 Lakhs in the Current Year and Rs. 84.99 Lakhs in the Previous Year and interest of Rs. 149.58 Lakhs in the Current Year and Rs. 138.48 Lakhs in the Previous Year and further adjusting Rs. 261.58 Lakhs for taxation (net), the Company posted a net profit after tax of Rs. 758.55 Lakhs as against Rs. 1397.25 Lakhs during the last year. During the year under review, the Company has not done any conversion work. Financial Year 2025 was largely driven by external global shocks including China's policy measures induced volatile commodity & raw material prices, fluctuating demand etc. However, tight focus & vigilance on market helped the Company to continue its profitable journey. The Company will develop new sizes to meet the evolving requirements of Original Equipment Manufacturers (OEMs). With expected approvals from OEMs, these new sizes are anticipated to drive repeat orders. In the coming year, the Company plans to engage new raw material suppliers, which is expected to ensure smoother production processes and uninterrupted supply to customers. If market conditions remain favorable, the Company will be able to operate at optimal production capacity, leading to improved plant utilization, reduced fixed overheads, and access to more competitively priced raw materials.

KEY FINANCIAL RATIOS:

The details of significant changes in the key financial ratios as compared to previous year are stated below:

| Ratios | Units | 2024-25 | 2023-24 | Change (%) | Explanation for Significant changes |
|--------------------------|--------------|----------------|----------------|-------------------|--|
| Debtors Turnover Ratio | Times | 14.04 | 18.54 | -24.26% | -- |
| Inventory Turnover Ratio | Times | 7.22 | 11.76 | -38.56% | Due to decrease in sales. |
| Interest Coverage Ratio | Times | 7.82 | 14.55 | -46.27 | Due to lower EBIT. |
| Current Ratio | Times | 2.35 | 2.95 | -20.17% | -- |
| Debt Equity Ratio | Times | 0.59 | 0.41 | 43.31% | Due to increase in debt. |
| Operating Profit Margin | % | 0.17 | 0.15 | 9.24% | -- |
| Net Profit Margin | % | 4.32 | 6.15 | -29.68% | Due to decrease in net profit after taxes. |
| Return on Net worth | % | 12.47 | 27.68 | -54.94% | Due to decrease in EBIT. |

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING A NUMBER OF PEOPLE EMPLOYED:

The Company recognizes that human capital is a key driver of success. Our Human Resource Vision is to cultivate a high-performing organization where every individual is inspired to reach their full potential, contributing to both personal growth and the achievement of organizational goals. To this end, we continuously work to enhance our work ethics and culture, aligning our workforce with a unified vision. We are committed to maintaining a positive work environment and fostering constructive relationships with all employees, with a strong focus on productivity and efficiency. We believe that our people are the heart of our success. By nurturing talent and preparing our workforce for the future, we aim to grow responsibly while making a meaningful impact on society.

Current workforce of the Company is rightly poised to navigate through the current volatile, uncertain, complex situation and to always maintain industry leading quality standards while maintaining the highest service levels. The Company continues to focus on upgrading knowledge and skill levels among its employees through various Learning & Development, training activities to enable them to move up the ladder. The Company has well defined Human Resource policies in place which enables it to build a strong performance-oriented culture, belongingness and commitment to work. During the year ended 31st March, 2025, the total number of employees employed by the Company was 28 (Twenty-eight) and 49 (Forty- nine) workers on contractual basis.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include external economic conditions affecting demand/supply, influencing price conditions in the market in which the Company operates, changes in government regulations, tax laws and other incidental factors.

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

Our Company is dedicated to fostering a culture of integrity, transparency and accountability, ensuring that the best practices are followed to uphold the highest standards of responsibility to our stakeholders. In alignment with this responsibility, the Company emphasizes on the following core values:

- a. **Transparency**- We believe in dissemination of information on time and in transparent manner.
- b. **Internal control**- The Company has developed the system to control all the activities.
- c. **Protecting Stakeholders' interest**- As a trustee to protect and reinforce shareholder value through strategic supervision of the Company. We believe that the Company has clear and defined goals aligned to enhance shareholder value and growth.
- d. **Quality**- The Company is committed to supply high quality materials to our customers.
- e. **Integrity and ethics**-We prioritize strong ethical standards and responsible decision making.
- f. **Growth**- The Board shall oversee the performance of the Company and should ensure shareholders protection and maximization of their long-term values.

Our Company consistently strives to enhance its governance mechanisms, aiming to improve efficiency, transparency, and accountability while striving for business excellence in every facet of our operations. Further our governance framework is built on a foundation of ethical and responsible business conduct, designed to generate lasting value for all stakeholders. We ensure that we evolve and follow not just the stated corporate governance guidelines but also globally accepted best practices.

The Company is in compliance with the requirements of the Corporate Governance stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable for the Financial Year 2024-25.

Further, the Company believes that an active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance.

2. BOARD OF DIRECTORS

2.1) Composition and Category of Directors

The Board is headed by an Executive Chairman and comprises an optimal combination of Executive and Non-Executive Directors, including Independent Directors, in compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2025, the Board consists of five (5) Directors. The day-to-day operations of the Company are managed by two (2) Executive Directors. The remaining

three (3) Directors are Non-Executive and Independent Directors, who are free from any business or other relationships that could materially influence their judgment.

All Independent Directors meet the criteria of independence as defined under Regulation 16 (1) (b) of the SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. They also possess the requisite qualifications and have significant experience in their respective fields.

The current composition of the Board reflects an optimal blend of professionalism, knowledge, expertise, and experience.

The names and categories of the directors on the board and other relevant information, as on 31st March, 2025, are as under:

| Sr. No | Name of Director | Category | No. of other Directorships held# | Member/Chairman of other Board Committees @ | No. of shares held in Company |
|---------------|--------------------------------|----------------------------|---|--|--------------------------------------|
| 1. | *Shri Nandkishore Sarda | Promoter Executive/CMD | 8 | 1 | 3,23,100 |
| 2. | *Smt. Poonam Sarda | Promoter Executive/ WTD | 7 | 1 | 1,28,060 |
| 3. | Shri Rajendra Prasad Mohanka * | Independent Non-Executive | 5 | 2 | 0 |
| 4. | Shri Harish Dass* | Independent Non- Executive | 1 | 0 | 0 |
| 5. | Shri Ramesh Mantri* | Independent Non- Executive | 3 | 0 | 0 |
| 6. | Shri Mukund Mohta \$ | Independent Non-Executive | 0 | 1 | 0 |
| 7. | Shri Prakash Soni \$ | Independent Non- Executive | 2 | 1 | 0 |
| 8. | Shri Govind Mantri \$ | Independent Non- Executive | 4 | 2 | 0 |

Notes:

*Except Shri Nandkishore Sarda and Smt. Poonam Sarda, who are related to each other, no other director is related to any one in any manner. Shri Nandkishore Sarda is father-in-law of Smt. Poonam Sarda.

Including Public Limited Companies and Private Limited Companies excluding directorships in foreign companies.

@ Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Companies (including the Company) have been considered.

* Retired as Director with effect from 19th September, 2024, upon completion of Second Term.

\$ Appointed as an Independent Director with effect from 13th August, 2024.

2.2) Number of Board Meetings

The members of the Board are provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. During the year 2024-25, the Board of the Company met five times on 21st May, 2024, 13th August, 2024, 19th September, 2024, 12th November, 2024 and 06th February, 2025. All the meetings were held in such manner that the intervening period between two consecutive meetings, was well within the maximum gap of one hundred and twenty days prescribed under the Listing Regulations.

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

| Sr.No. | Name of Director | No. of Board Meetings attended | Attendance at the last AGM |
|--------|--------------------------------|--------------------------------|----------------------------|
| 1. | Shri Nandkishore Sarda | 5 | Present |
| 2. | Smt.Poonam Sarda | 5 | Present |
| 3. | Shri Rajendra Prasad Mohanka * | 2 | Present |
| 4. | Shri Harish Dass * | 1 | Present |
| 5. | Shri Ramesh Mantri * | 2 | Present |
| 6. | Shri Mukund Mohta\$ | 3 | Present |
| 7. | Shri Prakash Soni\$ | 2 | Present |
| 8. | Shri Govind Mantri\$ | 2 | Present |

* Retired as Director with effect from 19th September, 2024, upon completion of Second Term.

\$ Appointed as an Independent Director with effect from 13th August, 2024.

2.3) Details of directorships in other listed companies with category of Company's directors is as under (as on 31st March, 2025)

| Sr.No. | Name of Director | Name of the Company | Designation |
|--------|--------------------------------|----------------------------------|----------------------|
| 1. | Shri Nandkishore Sarda | NIL | Not applicable |
| 2. | Smt. Poonam Sarda | NIL | Not applicable |
| 3. | Shri Rajendra Prasad Mohanka * | Jayaswal Neco Industries Limited | Independent Director |

| | | | |
|----|-----------------------|-----|----------------|
| 4. | Shri Harish Dass * | NIL | Not applicable |
| 5. | Shri Ramesh Mantri * | NIL | Not applicable |
| 6. | Shri Mukund Mohta \$ | NIL | Not applicable |
| 7. | Shri Prakash Soni \$ | NIL | Not applicable |
| 8. | Shri Govind Mantri \$ | NIL | Not applicable |

* Retired as Director with effect from 19th September, 2024, upon completion of Second Term.

\$ Appointed as an Independent Director with effect from 13th August, 2024.

2.4) List of Core Skills / Expertise/ Competencies of directors

The Company is engaged in one segment i.e. Iron and Steel Industry. A chart setting out the list of core skills/ expertise/competencies as identified by the Board of Directors as required in the context of its business and sector(s) for it to function effectively and those actually available with the Board are as follows:

| Sr. No. | Name of Director | Qualification & Experience | Expertise |
|---------|------------------------|--|---|
| 1. | Shri Nandkishore Sarda | B.sc Nearly 58 years of experience | Iron & Steel, Strategic Planning, General Management, Production & Operation and Human Resource Management. |
| 2. | Smt.Poonam Sarda | C.A (Intermediate), L.L.B Nearly 15 years of experience | Accounting, Finance, Taxation, Corporate Laws, Human Resource Management. |
| 3. | Shri R.P.Mohanka # | Chartered Accountant Nearly 52 years of experience | Accounting, Finance, Taxation, Costing, Budgeting, Corporate Laws, Finance Risk Assessment and Management Accounting. |
| 4. | Shri Harish Dass# | Mining Engineer Nearly 59 years of experience | Iron and Steel and Production planning. |
| 5. | Shri Ramesh Mantri# | B.com (Final) Nearly 55 years of experience | General Management, Human Resource Management, Banking and Finance. |
| 6. | Shri Mukund Mohta @ | B. Com and Diploma in Business Management. Nearly 46 years of experience | Human Resource Management, Account, Finance, Sales, Marketing and Purchase. Wide experience in the field of Iron. |
| 7. | Shri Prakash Soni @ | B.E in Mechanical Engineering and M.S in Industrial | Sales, Marketing, Purchase, Production and Operation, Developing of new products |

| | | | |
|----|----------------------|---|---|
| | | Engineering. Nearly 58 years of experience | |
| 8. | Shri Govind Mantri @ | B. Com with specialization in finance. Nearly 44 years of Experience. | Accounts, Marketing, Audit and Financial Management, project management, problem solving, and communication, build relationships and foster collaboration, Human Resource Management to drive innovation and ensure projects are completed on time and on budget. |

2.5) Independent Directors

The Independent Directors, drawn from diverse fields of expertise, bring with them extensive experience and deep knowledge in their respective fields. Their presence adds significant value to the Company's business by offering a well-balanced mix of functional and industry-specific competence. They play a vital role in the Company's governance framework by contributing to the enhancement of corporate integrity and trust.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors on the Board of the Company fulfill the conditions of independence specified in Section 149 (7) of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulations stating that they meet the eligibility criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015. During the Financial Year 2024-25, no Independent Director resigned before the expiry of his/ her tenure.

The Company's Independent Directors met once during the year without the presence of the Management. Independent Directors discussed matters pertaining to the Company's affairs and shared their views/ suggestions with Chairman & Managing Director and also with the Board of Directors.

During the year, Familiarization Programs were conducted for the Independent Directors. The weblink where details of the Familiarization programs imparted to Independent Directors is <http://shardaispat.com/investor/policy>.

2.6) Code of conduct

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

A copy of the code has been put on the Company's website (shardaispat.com). The code has been circulated to Directors and Senior Executives and its compliance is affirmed by them annually. A declaration signed by the Chairman & Managing Director is given below.

I, Nandkishore Sarda, Chairman & Managing Director of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed for the year ended March 31, 2025, compliance with the Code of Conduct of the Company laid down for them.

Nandkishore Sarda
Chairman & Managing Director

3. Committees of the Board

3.1 Audit Committee

Composition and Meetings

The composition of the Audit Committee complies with the requirements of the Listing Regulations and the Companies Act, 2013. All the members including Chairperson of the Audit Committee of the Board are Non-executive, Independent Director/s of the Company. The members of the Audit Committee are financially literate and possess requisite knowledge of accounts, audit, finance, taxation, internal controls, etc.

During the year, 4 (Four) Audit Committee meetings were held on 21st May 2024, 13th August 2024, 12th November 2024 and 06th February, 2025.

The Composition of the Audit Committee and the details regarding attendance are given below:

| Name of the Director | Designation | No. of Meeting Held | No. of Meetings attended |
|--------------------------------|---|---------------------|--------------------------|
| Shri Mukund Mohta \$ | Chairman (with effect from 19 th September 2024) | 2 | 2 |
| Shri Rajendra Prasad Mohanka # | Chairman | 2 | 2 |
| Shri Harish Dass # | Member | 2 | 1 |
| Shri Ramesh Mantri # | Member | 2 | 2 |
| Shri Prakash Soni \$ | Member | 2 | 2 |
| Shri Govind Mantri \$ | Member | 2 | 1 |

\$ Appointed as Independent Director with effect from 13th August 2024.

Retired from the post of Independent Director with effect from 19th September 2024, upon completion of Second term.

Shri Amit B. Mundada, Company Secretary, acts as the Secretary to the Audit Committee.

Shri Rajendra Prasad Mohanka, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 18th September 2024. The Audit Committee acts as a link between the management, the Statutory and Internal Auditors and the Board. The Audit Committee monitors and effectively supervises the Company's financial reporting process with a view to provide accurate, timely and proper disclosure, maintain the integrity and quality of financial reporting. The Audit Committee, inter alia, also reviews, from time to time, the audit and internal control procedures, the accounting policies of the Company, annual compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015, reviewing complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and reviewing complaints received under Whistle-Blower Policy of the Company. The Committee also oversees the performance of the Internal and Statutory Auditors and recommends their appointment and remuneration to the Board. The minutes of the Audit Committee Meetings were noted by the Board. The Chairman of the Audit Committee Meeting briefs the Board on the discussions held during the Audit Committee Meetings. All the recommendations of the Audit Committee have been accepted by the Board.

As per the requirement/instructions of the Committee, representatives from Internal Auditors, Cost Auditors, Statutory Auditors and such other persons as the Committee may feel necessary, also attend the Audit Committee meeting(s) to respond to queries raised at the Committee meeting(s).

Role/ Terms of Reference of Audit Committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 1. Matters required being included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 2. Changes, if any, in accounting policies and practices and reasons for the same.

3. Major accounting entries involving estimates based on the exercise of judgement by management.
 4. Significant adjustments made in the financial statements arising out of audit findings.
 5. Compliance with listing and other legal requirements relating to the financial statements.
 6. Disclosure of any related party transactions.
 7. Modified opinion(s) in the draft audit report, if any.
-
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, 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 the 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;
 7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Monitoring the end use of funds raised through public offers and related matters; if any;
 13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 14. 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;
 15. Discussions with internal auditors of any significant findings and follow up thereon;

16. Reviewing the findings of any internal investigations by the internal auditors into the 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;
17. 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;
18. 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;
19. To review the functioning of the whistle blower mechanism;
20. In consultation with the Internal Auditors, formulate the scope, functioning, periodicity and methodology for conducting the internal audit;
21. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
22. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders; and
23. Carrying out any other function as is mentioned in the terms of reference of the audit committee;

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
5. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1) of SEBI (LODR) Regulations, 2015.
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7) of SEBI (LODR) Regulations, 2015.

3.2 Nomination and Remuneration Committee

Composition and Meetings

The Nomination and Remuneration Committee ('NRC') comprises of 3 Independent Directors. The composition, functioning and terms of reference of the Nomination and Remuneration Committee complies with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and amendment thereof, as are in force/ applicable from time to time.

The role of the Nomination and Remuneration Committee is to oversee the selection of Directors and Senior Management based on criteria related to the specific requirement of expertise and independence.

The Committee evaluates the performance of Directors and Senior Management based on the expected performance criteria. The Committee also recommends to the Board, the remuneration payable to Directors of the Company. During the year, 1 (One) Nomination and Remuneration Committee meeting was held on 29th July, 2024. All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board.

The Composition of the Nomination and Remuneration Committee and the details regarding the attendance are given below:

| Name of the Director | Designation | No. of Meeting Held | No. of Meetings attended |
|--------------------------------|---|---------------------|--------------------------|
| Shri Prakash Soni \$ | Chairman (with effect from 19 th September 2024) | NA | NA |
| Shri Rajendra Prasad Mohanka # | Chairman | 1 | 1 |
| Shri Harish Dass # | Member | 1 | 1 |
| Shri Ramesh Mantri # | Member | 1 | 1 |
| Shri Mukund Mohta \$ | Member | NA | NA |
| Shri Govind Mantri \$ | Member | NA | NA |

\$ Appointed as Independent Director with effect from 13th August 2024.

Retired from the post of Independent Director with effect from 19th September 2024, upon completion of Second term.

Shri Amit B. Mundada, Company Secretary, acts as the Secretary to the Nomination and Remuneration Committee.

Brief Description of the Terms of Reference of Nomination and Remuneration Committee:

- a). Formulation of the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b). In case of appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the necessary capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. considers the time commitments of the candidates.
- c). Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- d). Devising a policy on Board diversity.
- e). Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- f). 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.
- g). Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Performance Evaluation Criteria for Independent Directors:

The Nomination and Remuneration Committee has devised criteria for performance evaluation of Directors including Independent Directors. The said criteria provide for certain parameters like seniority /experience, number of years on the Board, Board/Committee meetings attended, Director's position on the Company's Board Committees, acquaintance with business, effective participation, communication inter-se with Board members, compliance with Code of Conduct, other relevant factors and performance of the Company.

Remuneration Policy:

The Company's Remuneration Policy is designed to reward performance through periodic reviews of individual and organizational achievements. The remuneration policy aligns with prevailing industry standards and practices. The Company's remuneration policy for Directors, Key Managerial Personnel and other employees is available on the website of the Company at <http://shardaispat.com/investor/policy>.

The Remuneration to Managing Director shall take into account the Company's overall performance, Managing Director's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high-performance culture.

The Managing Director and Whole-time Director are paid remuneration in accordance with the terms approved by the Nomination and Remuneration Committee, the Board of Directors and subsequently confirmed by the Shareholders of the Company. The remuneration of the Managing Director comprises of Salary, besides contributions to provident fund, gratuity and leave encashment facility. The Company does not have any stock option scheme. The tenure of the Managing Director and Whole-time Director is five (5) consecutive years. Each Non-executive Directors is paid sitting fee of Rs.2,000/- for each meeting attended by him.

Details of remuneration to Chairman & Managing Director and Whole time Directors are as under:(Rs. In Lakhs)

| Name of the Director | Salary | Perquisites & Allowances | Commission | Total | Stock Options granted* |
|------------------------|--------|--------------------------|------------|-------|------------------------|
| Shri Nandkishore Sarda | 60.00 | -- | -- | 60.00 | NIL |
| Smt. Poonam Sarda # | 48.00 | -- | -- | 48.00 | NIL |

Also holds the office of CFO.

* No stock options were granted during the year.

Contract period: Shri Nandkishore Sarda, Chairman & Managing Director- Five years from 01st April, 2022.

Smt. Poonam Sarda, Whole-time Director- Five years from 01st April, 2022.

Details of remuneration to Non-Executive Directors are as under:

| Name of the Director | Sitting fees (per meeting) | Total |
|----------------------|----------------------------|-------|
| Shri R.P. Mohanka \$ | 2,000 | 4,000 |

| | | |
|-----------------------|-------|-------|
| Shri Harish Dass \$ | 2,000 | 2,000 |
| Shri Ramesh Mantri \$ | 2,000 | 4,000 |
| Shri Mukund Mohta# | 2,000 | 6,000 |
| Shri Prakash Soni # | 2,000 | 4,000 |
| Shri Govind Mantri# | 2,000 | 4,000 |

\$ Retired from the post of Independent Director with effect from 19th September 2024, upon completion of Second term.

Appointed as Independent Director with effect from 13th August 2024.

None of the Non-Executive Directors have any material financial interest in the Company apart from the remuneration by way of fees received by them from the Company during the year.

3.3 Stakeholders Relationship Committee

Composition and Meetings

The Stakeholders Relationship Committee is responsible for addressing matters related to shareholder interests and maintaining positive relations with investors and shareholders. Its main role includes overseeing the resolution of shareholder grievances and monitoring the performance of the Company's Registrar and Transfer Agent to ensure compliance with established service standards. Additionally, the Committee reviews the measures implemented to facilitate the effective exercise of voting rights by shareholders. The Stakeholders Relationship Committee ('SRC') comprises of 1 Independent Director and 2 Executive Directors. The composition of the Stakeholders Relationship Committee is in accordance with the requirements of Regulation 20 of the Listing Regulations and Section 178 of the Companies Act, 2013.

During the year, 26 (Twenty-six) Stakeholders Relationship Committee meetings were held on 12th April, 2024, 06th May, 2024, 24th May, 2024, 15th June, 2024, 25th June, 2024, 15th July, 2024, 19th July, 2024, 26th July, 2024, 05th August, 2024, 17th August, 2024, 26th August, 2024, 29th August, 2024, 19th September, 2024, 05th October, 2024, 16th October, 2024, 18th October, 2024, 06th November, 2024, 13th November, 2024, 25th November, 2024, 05th December, 2024, 17th January, 2025, 20th January, 2025, 14th February, 2025, 07th March, 2025, 19th March, 2025 and 28th March 2025.

The Composition of the Stakeholders Relationship Committee and the details regarding the attendance are given below:

| Name of the Director | Designation | No. of Meetings Held | No. of Meetings attended |
|-----------------------|---|----------------------|--------------------------|
| Shri Govind Mantri \$ | Chairman (with effect from 19 th September 2024) | 14 | 14 |

| | | | |
|------------------------|----------|----|----|
| Shri Harish Dass # | Chairman | 12 | 12 |
| Shri Nandkishore Sarda | Member | 26 | 26 |
| Smt. Poonam Sarda | Member | 26 | 26 |

\$ Appointed as Independent Director with effect from 13th August 2024.

Retired from the post of Independent Director upon completion of Second Term with effect from 19th September 2024.

Shri Amit B. Mundada, Company Secretary, acts as the Secretary to the Stakeholders Relationship Committee.

Shri Harish Dass, Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company held on 18th September 2024.

Brief Description of the Role/ Terms of Reference of Stakeholders Relationship Committee

1. 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.;
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. 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.
5. Such other functions as per Regulation 20 (4) read with Part - D of Schedule - II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

Shareholders' Complaints

The number of shareholders' complaints received and resolved as on 31st March 2025 is given below.

| | |
|--|--|
| The number of complaints received during the financial year: | During the year under review, two complaints were received by the Company and both were resolved. One complaint pertained to a shareholder seeking verification of their |
|--|--|

| | |
|---|---|
| | shareholding in the Company. The other was related to difficulties faced in the dematerialization of shares of other companies, for which the shareholder lodged a complaint against the Company. |
| The number of complaints not solved to the satisfaction of shareholders | NIL |
| Number of pending complaints: | NIL. No complaint was pending for redressal as on 31 st March, 2025. |

Compliance Officer

Shri Amit B. Mundada, Company Secretary is the Compliance Officer.

3.4 Procedure at Committee Meetings

The procedures applicable to Board meetings are followed for Committee meetings as far as practicable. Each Committee is empowered to engage external experts, advisors, or legal counsel, as deemed necessary, to assist in the effective discharge of its duties and functions. Committee decisions are made either during meetings or through circular resolutions.

The Company Secretary serves as the Secretary for all Committees. The Chairperson of each Committee provides the Board with updates on key discussions and deliberations held during Committee meetings.

During the year under review, all recommendations made by the Committees were accepted by the Board. The minutes of all Committee meetings are submitted to the Board for its information and noting.

3.5 Details of Senior Management and changes therein during the year

| Sl.No. | Name | Designation | Change/ No Change |
|--------|------------------------|--|-------------------|
| 1 | Poonam Sarda* | Chief Financial Officer | No Change |
| 2 | Ravi Iyer | Vice President | No Change |
| 3 | Kulvant Singh \$ | Plant head | Change |
| 4 | Anand Motghare | Assistant General Manager (Administration) | No Change |
| 5 | Chandrakant Panchariya | Assistant General Manager (Purchase) | No Change |
| 6 | Amit B.Mundada | Company Secretary | No Change |

* Smt. Poonam Sarda is also Whole-time Director.

\$ Shri Kulvant Singh Superannuation from Service with effect from 28th February, 2025.

4. General Body Meetings

The venue, date and time of the last three Annual General Meetings and the details of Special Resolutions passed thereat are as under:

| Date | Time | Venue | Special Resolution Passed |
|---------------------------------|-------------|---|---|
| 18 th September,2024 | 11.00 a.m. | At the corporate office of the Company at Da-rock, Plot no. 230, 6 th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 | 1. Appointment of Shri Prakash Soni (DIN: 01741631) as an Independent Director of the Company. 2. Appointment of Shri Mukund Mohta (DIN: 00580540) as an Independent Director of the Company. 3.Appointment of Shri Govind Mantri (DIN: 00414922) as an Independent Director of the Company. 4.Revision in Remuneration of Shri Nandkishore Sarda (DIN:00229911), Chairman and Managing Director of the Company. 5. Revision in Remuneration of Smt. Poonam Sarda (DIN:00190512), Whole-time Director of the Company. |
| 29 th September,2023 | 11.00 a.m. | At the corporate office of the Company at Da-rock, Plot no. 230, 6 th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 | No Special Resolution was passed in the meeting |

| | | | |
|---------------------------------|------------|---|---|
| 30 th September,2022 | 11.00 a.m. | At the corporate office of the Company at Da-rock, Plot no. 230, 6 th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 | No Special Resolution was passed in the meeting |
|---------------------------------|------------|---|---|

Special Resolution(s) passed through Postal Ballot:

During the year 2024-25, No resolution was put through postal ballot.

5. Means of communication

Quarterly, half-yearly and annual results are submitted to the stock exchange in accordance with the Listing Regulations and published in Indian Express (English Language) and Loksatta (Vernacular Language) newspapers. The financial results and other relevant information are placed simultaneously on the Company's website - shardaispat.com. No news releases were made to the institutional investors or to the analysts during the year. During the year, no presentations have been made to the institutional investors/analysts.

6. General shareholder information

Annual General Meeting

Date: 26th September,2025

Time: 09:30 a.m.

Venue: At Da-rock, Plot no. 230, 7th Floor, Hill Road, Shivaji Nagar, Nagpur-440010

Financial calendar for 2025-26 (tentative)

Financial results for the quarters ended:

30th June,2025

1st Week of August,2025

30th September,2025

1st Week of November, 2025

31st December,2025

1st Week of February2026

31st March,2026

4th Week of May, 2026

Annual General Meeting (for F.Y. 2025-26)

September, 2026

Dividend payment date (For F.Y. 2024-25)

In view of meeting our Company's working capital requirements during the ensuing year, your directors express their inability to recommend any dividend for this year.

Listing on stock exchanges Equity Shares

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

1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

2. The Calcutta Stock Exchange Association Limited,

7, Lyons Range, Dalhousie, Kolkata -700001

ISIN no. NSDL & CDSL-INE385M01012

The security of the Company has been shown as suspended on the Calcutta Stock Exchange Association Limited. The Company has stepped up and is in the process to expel the suspension from Calcutta Stock Exchange.

Your Company has paid annual listing fees to the BSE Limited, Mumbai, for the equity shares for the financial year 2024-25.

Registrar and share transfer agents (for physical and electronic)

Adroit Corporate Services Private Limited

18-20, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400059

Share Transfer System

In view of the SEBI circular, share transfers in physical have been stopped from 01st April, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 read with SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Also, share transactions in electronic form can be affected in a much simpler and faster manner. After a confirmation of a sale /purchase transaction from the broker, shareholders should approach the Depository Participant

(‘DP’) with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

Shareholders should communicate with Adroit Corporate Services Private Limited, Company’s Registrars and Transfer Agent (‘RTA’) quoting their folio number or Depository Participant ID (‘DP ID’) and Client ID number, for any queries to their securities.

Shareholders are advised to refer to the latest SEBI guidelines and circular(s) issued from time to time regarding securities held in physical form in listed companies. Shareholders must ensure that their KYC details are kept updated at all times to avoid their folios being frozen, as prescribed by SEBI.

Shareholding pattern as on 31st March, 2025

| Sr.No. | Category | No. of Shares | Percentage |
|---------------|------------------------------|----------------------|-------------------|
| 1. | Promoter and Promoter Group | 38,06,100 | 74.97 |
| 2. | Banks/MFs/FIs/Ins.Cos./NBFCs | 0 | 0.00 |
| 3. | Foreign Portfolio Investors | 0 | 0.00 |
| 4. | Overseas Corporate Bodies | 0 | 0.00 |
| 5. | Bodies Corporate | 4,80,891 | 9.47 |
| 6. | Individual NRIs | 7,552 | 0.15 |
| 7. | Resident Individuals | 7,59,019 | 14.95 |
| 8. | IEPF Authority | 0 | 0.00 |
| 9. | Others | 23,238 | 0.46 |

Distribution of shareholding as on 31st March, 2025

| Shareholding of nominal value (Rs.) | Shareholders | | Shares | |
|--|---------------------|-------------------|---------------|-------------------|
| | Number | % to total | Number | % to total |
| Up to 100 | 2798 | 70.02 | 166521 | 3.28 |
| 101-500 | 981 | 24.55 | 268178 | 5.28 |
| 501-1000 | 126 | 3.15 | 105429 | 2.08 |
| 1001- 2000 | 29 | 0.73 | 46429 | 0.91 |
| 2001-3000 | 12 | 0.30 | 30865 | 0.61 |
| 3001-4000 | 17 | 0.43 | 59925 | 1.18 |

| | | | | |
|------------------|-------------|---------------|------------------|---------------|
| 4001-5000 | 1 | 0.03 | 5000 | 0.10 |
| 5001-10000 | 6 | 0.15 | 46893 | 0.92 |
| 10001-20000 | 4 | 0.10 | 63528 | 1.25 |
| 20001-50000 | 4 | 0.10 | 102200 | 2.01 |
| 50,001 and above | 18 | 0.45 | 4181832 | 82.37 |
| Total | 3996 | 100.00 | 50,76,800 | 100.00 |

Dematerialization of Shares

The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on 31st March, 2025 out of the total 50,76,800 equity shares held by about 3,996 (PY 3,401) shareholders 41,85,540 (PY 41,44,640) equity shares held by 1,889 (PY 1,186) shareholders representing 82.44% (PY 81.64%) percent of the total paid-up equity capital have been dematerialized.

The Promoters hold 99.74% of their equity shareholding in the Company in dematerialized form.

GDR, ADR, Warrants or Conversion Instruments

During the year under review, the Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Warrants, or any other convertible instruments.

Hedging of Risks

The Company has implemented a Board-approved Risk Management Policy that outlines the framework, procedures, and controls for effectively managing various risks faced by the Company. With respect to price risk related to raw materials used in manufacturing, appropriate measures are taken in line with industry practices. The Company's exposure in none of the commodities, which are sourced for use in its business, is material in the context of its overall operations and also in terms of the 'policy on Determination of Materiality for Disclosures (s)', as approved by the Board. Accordingly, the disclosure requirements prescribed under the SEBI Circular dated 15th November, 2018 is not applicable to the Company.

Credit Ratings

During the year under review, the Company did not obtain any credit ratings.

Plant Location

Kamptee Road, Nagpur- 440026

Address for correspondence

Regd. Office

Kamptee Road, Nagpur- 440026
Phone No: -: 0712-2640071
e-mail: shardaispat.ngp@gmail.com

Corporate Office
Da-rock, Plot No.230,
6th Floor, Hill Road, Shivaji Nagar,
Nagpur-440010
Phone No: - 0712-2245888
0712-2245156
e-mail: shardaispat.ngp@gmail.com

7. Disclosures

a). Related Party Transactions

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee and by the shareholders of the Company, where required, in terms of provisions of the SEBI Listing Regulations. Certain transactions which were repetitive in nature were approved through omnibus route by the Audit Committee. The Company has not entered into any materially significant related party transaction that has potential conflict with the interest of the Company at large. None of the transactions with any of related parties were in conflict with the Company's interest.

Attention of members is drawn to the disclosures of transactions with related parties set out in Note No. 12, 35 and 36 of Standalone Financial Statements, forming part of the Annual Report. The Company's major related party transactions are generally with its group companies.

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

b). Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of regulatory authorities on capital markets. Except as provided below, there has been no instance of non-compliance by the Company on any matters related to the capital markets, nor have any penalty or strictures been imposed on the Company by the SEBI, Stock Exchanges or any other statutory authorities on such matters, for the last 3 (three) Financial Years.

| Financial Year | Details of non-compliance Fine levied Name of stock Exchange | Fine levied | Name of stock Exchange |
|-----------------------|---|---|-------------------------------|
| 2024-25 | Nil | Nil | Nil |
| 2023-24 | Regulation 23 (9) of the SEBI (LODR) Regulations, 2015 – Delay in disclosure of related party transactions on consolidated basis. | Rs. 15,000/- (Excluding GST Rs.2,700/-) | BSE Limited (BSE) |
| 2022-23 | Nil | Nil | Nil |

c). Whistle Blower policy

The Company is committed to promoting ethical conduct across all its business activities and has put in place a mechanism for reporting illegal / unethical behavior. The Company has adopted Whistle Blower Policy and has established necessary vigil mechanism for employees / directors, wherein they can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company and seek redressal. The reportable matters may be disclosed to the head HR or the Compliance Officer who report to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

We affirm, that no employee is denied a direct access to the Chairman of the Audit Committee. The Whistle Blower Policy / Vigil Mechanism has been disclosed on the website of the Company viz. <https://shardaispat.com/investor/policy>.

d). Compliance with mandatory and discretionary requirements

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also adopted the following discretionary requirements as provided in the Listing Regulations:

Financial Statements: The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Accounting Standards) Rules, 2015.

Listing Regulations: There is no non-compliance of any of the requirements of Corporate Governance for the year under review as required under the Listing Regulations. The Company has adopted the following non-mandatory requirements of Listing Regulations.

1) Unmodified Opinion(s) in Audit Report

The auditor has expressed an unmodified opinion in their report on the financial statements of the Company.

2) Reporting of Internal Auditors

The Internal Auditors of the Company report to the Audit Committee periodically to ensure independence of the Internal Audit function.

e). Transfer of Unclaimed Dividend amounts to Investor Education and Protection Fund

Unclaimed Dividend/ Transfer of Shares to IEPF: The Company has not declared or paid any dividend. The details of which are given below.

| Financial Year | Unpaid/ Unclaimed dividend as on 31.03.2025 (In Rs.) | Date of declaration | Date of transfer to IEPF |
|-----------------------|---|----------------------------|---------------------------------|
| 2018-19 | Nil | N. A | N. A |
| 2019-20 | Nil | N. A | N. A |
| 2020-21 | Nil | N. A | N. A |
| 2021-22 | Nil | N. A | N. A |
| 2022-23 | Nil | N. A | N. A |
| 2023-24 | Nil | N. A | N. A |
| 2024-25 | Nil | N. A | N. A |

f). Web link for policy on Material Subsidiary:

The policy to determine a material subsidiary has been framed and the same is disclosed on the Company's website at the link given below.

<https://shardaispat.com/investor/policy>.

g). Web link for dealing with Related Party Transactions:

The Policy on materiality of Related Party Transactions and also on dealing with such transactions is available on the website of the Company at the link given below.

<https://shardaispat.com/investor/policy>.

h). Disclosure of commodity price risks and commodity hedging activities: Not Applicable

i). Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

j). 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.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified, by the virtue of any order issued by Securities and Exchange Board of India / Ministry of Corporate Affairs or any other Competent or Statutory Authority, from being appointed or continuing as Directors of Companies. A certificate to this effect, issued by Shri Sunil Kumar Sharma, Practicing Company Secretary (Membership No.: FCS 10043, CP No.: 12708), is enclosed at the end of this Report.

k). During the year under review, the Board has adopted all the recommendations made by the Committees of the Board.

l). Total fees for all services paid by the Company to the statutory auditor are Rs. 3.50 Lakhs. (Gross)

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

n). Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

| Sr.No. | Name | Nature | Amount (Rs.in Lakhs) * |
|--------|-----------------------------------|--------|------------------------|
| 1. | Kyoto Merchandise Private Limited | Loan | 4926.68 |

* Outstanding as on 31st March, 2025.

o). Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The Company does not have any material subsidiary, and hence, the details regarding incorporation and statutory auditors are not applicable.

- p). The Company has also complied with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to corporate governance.
- q). Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Company has not entered into any agreement(s) with media companies and/or their associates that would result in any shareholding in the Company. Consequently, disclosures relating to such agreements—such as the appointment of nominee(s) of media companies on the Board of the Company, management control, or any potential conflict of interest—are not applicable.
Further, the Company has not entered into any other back-to-back treaties/contracts/agreements/memorandum of understanding (MoUs), or similar instruments with media companies and/or their associates.

r). Details of Shares transferred to the Suspense Escrow Demat Account:

As per Part F of Schedule V of SEBI (LODR) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the demat suspense account or unclaimed suspense account.

- i) Aggregate no. of shareholders and the outstanding shares lying in the suspense account at the beginning of the year: Nil.
- ii) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil.
- iii) Number of shareholders to whom shares were transferred from suspense account during the year: Nil.
- iv) Aggregate no. of shareholders and the outstanding shares lying in the suspense account at the end of the year: Nil.
- v) That the voting rights on the equity shares shall remain frozen till the rightful owner claims such equity shares: Nil.

s). Disclosure of Agreements binding the Company under Clause 5A of Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the financial year 2024-25, no such agreements as specified under Clause 5A of Para A of Part A of Schedule III were entered.

t). Material financial & commercial transactions by Senior Management

There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of

the Company at large requiring disclosure by them to the Board of Directors of the Company.

u). Certificate from Practicing Company Secretary

Certificate from Shri Sunil Kumar Sharma, Practicing Company Secretaries 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 is as under:

TO WHOMSOEVER IT MAY CONCERN

I, Sunil Kumar Sharma, Practicing Company Secretary do hereby certify that none of the directors on the Board of M/s. Sharda Ispat Limited have been debarred or disqualified from being appointed or from continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority to the best of my knowledge.

This certificate is being issued as per Schedule V under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Sunil Kumar Sharma & Associates

Sd/-

Sunil Kumar Sharma

(Proprietor)

M No. 10043

CP No. 12708

UDIN: F010043G000992662

Place: Nagpur

Date: 13.08.2025

**Compliance Certificate from the Practicing Company Secretary regarding
compliance of conditions of Corporate Governance**

To,
The Members of,
Sharda Ispat Limited

We have examined the compliance of conditions of corporate Governance by Sharda Ispat Limited ("the Company"), for the year ended 31st March, 2025 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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, and 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 SEBI Listing Regulations as applicable for the year ended March 31, 2025.

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

For Sunil Kumar Sharma & Associates

Sd/-
Sunil Kumar Sharma
(Proprietor)
M No. 10043
CP No. 12708
UDIN: F010043G000992673

Place: Nagpur
Date: 13.08.2025

INDEPENDENT AUDITOR'S REPORT

**To the Members of,
Sharda Ispat Limited**

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of Sharda Ispat Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2025, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Key audit matter | How our audit addressed the key audit matter |
|--|--|
| <p>Significant Increase in Loans extended to Related Parties</p> <p>During the current financial year, the Company has substantially increased loans provided to related parties. These transactions are significant due to their potential impact on the financial position and compliance obligations of the Company.</p> <p>While evaluation of these loans, based on terms of such loan, assessment of recoverability, compliance with regulatory requirements (Companies Act, 2013, and SEBI (LODR) Regulations, 2015), and adequacy of related disclosures, auditor attention is required. The judgment involved in determining arm's length nature of the transactions and appropriateness of approvals further contributed to identifying this as a key audit matter.</p> | <p>Our audit procedure includes the following</p> <ol style="list-style-type: none"> 1. Understanding and Evaluating Controls: Assessed the Company's internal controls for sanctioning, recording, and monitoring loans provided to related parties. 2. Verification of Transactions: Tested, on a sample basis, whether the loans were disbursed, after reviewing supporting documents such as board resolutions, agreements and confirmation from related parties. 3. Compliance Check: Assessed whether such loans are in compliance with Sections 177, 179(3), 185 and 186 of the Companies Act, 2013, and Regulation 23 of SEBI (LODR) Regulations, 2015, concerning approvals, disclosure, and reporting. 4. Assessment of Terms and Recoverability: Evaluated the terms and conditions of loans for fairness and arm's length nature and review whether management has assessed recoverability of loan and has considered requirement of security w.r.t to such loan. 5. Review of Disclosures: Assessed the adequacy and appropriateness of disclosures in the financial statements regarding the loans extended to related parties in compliance with Ind AS 24 – Related Party Disclosures. |

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise, appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), profit and loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also,
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so

would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
15. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and Statement of Changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements, comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act;
 - (f) We have also audited the internal financial controls over financial reporting of the Company as on 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report as per "Annexure B" expressed an unmodified opinion;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements. (Refer Note 33 of the financial statements on Contingent Liabilities)
 - ii. The company did not have any material foreseeable losses on long term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that were 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) contain any material misstatement.
- v. During the year under review, the Company has not paid any dividend and hence Section 123 of the Act is not applicable to the Company.
- vi. In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- vii. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recoding audit trail (edit log) facility and that has operated through the year for all relevant transactions recorded in the software. Further, during the course of our audit, we have not come across any instance of audit trail feature being tampered with and the audit trail has been preserved as per the statutory requirements for record retention.

UDIN- 25115665BMKOHW4442

For Panpaliya Taori & Co.
Chartered Accountants

**Nagpur, dated
30th May, 2025.**

Ritesh Panpaliya
Partner (M.No.115665)
Firm Reg. No. 125508W

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred in our Audit Report of even date of M/s Sharda Ispat Limited for the year ended 31-03-2025)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, all property, plant, and equipment were verified during the year. No material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property. Accordingly, the reporting under clause 3(i)(c) of the order is not applicable to the company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year ended March 31,2025. Accordingly, the reporting under clause 3(i)(d) of the order is not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. For stocks lying with third parties at the year-end, written confirmations have been obtained from them and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below:

Rs in lakhs

| Name of the Bank | Working Capital Limit Sanctioned | Nature of current assets offered as security | Quarter | Amount as per statement submitted to bank (a) | Amount as per books of account (b) | Difference (a-b) | Reason for difference |
|--------------------------------------|----------------------------------|--|---------------|---|------------------------------------|------------------|---|
| Nagpur Nagarik Sahakari Bank Limited | 875.00 | Hypothecation of Stock and Debtors | Mar-25- Stock | 2071.54 | 2078.74 | -7.21 | Incorrect valuation of stock |
| | | | Book Debts | 1250.54 | 1233.87 | 16.67 | Discount and tax deducted at source entry passed after preparation of stock statement |
| | | | Creditors | 72.03 | 115.32 | -43.29 | Material booked after preparation of stock statements |

(iii) During the year, the Company has granted unsecured loans to company in respect of which the requisite information is stated in sub-clause (a) below. The company has not made investment, provided any guarantee or security or granted advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties.

(a) The Company has provided loans only and the requisite information is given below

Rs in lakhs

| Particulars | Loans |
|--|---------|
| Aggregate amount granted/ provided during the year | 1823.50 |
| <u>Particulars</u> | |
| Subsidiaries | - |
| Associate | - |
| Others | 1823.50 |
| Balance Outstanding as at balance sheet date | |
| Subsidiaries | - |
| Associate | - |
| Others | 4935.74 |

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided guarantees during the year. The investment made and the terms and conditions of the grant of loans during the year are not *prima facie* prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no amount is overdue for more than ninety days in respect of loans granted by company
- (e) 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 loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, in respect of granting of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits during the year as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder. Accordingly, the requirement to report on Clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/ services and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, Income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year-end, for a period of more than six months from the date they become payable.

(b) The details of statutory dues referred to in above sub- clause (a) which have not been deposited with the concerned authorities as on 31 March 2025, on account of dispute are given below.

| Rs in lakhs | | | | |
|-------------|------------------------------------|-----------------------|--------|--|
| Sr. No. | Name of the Statute | Nature of Dues | Amount | Forum where dispute is pending |
| 1 | Central Excise Act | Excise Duty & Penalty | 19.64 | Joint Commissioner, Central Excise Nagpur |
| 2 | Income Tax Act, 1961 (A.Y.2014-15) | Income Tax | 1.53 | Commissioner of Income Tax (Appeals), Nagpur |
| 3 | Goods and Service Tax | GST | 58.92 | Commissioner of GST (Appeals), Nagpur |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) No term loans were sanctioned during the year.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long term purposes by the company during the year.
- (e) The Company does not have subsidiary, associates or joint venture and accordingly reporting under clause 3 (ix) (e) is not applicable to the company.
- (f) The Company does not have subsidiary, associates or joint venture and accordingly reporting under clause 3 (ix) (f) is not applicable to the company. Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the company during the year.

- (b) The company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year.
- (xii) As the Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Hence reporting on Clause 3(xii)(a)/(b)/(c) of the Order is not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the notes to the Financial Statements, as required by the applicable Indian accounting standards (Ind-As 24).
- (xiv) (a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors issued for the period under audit have been considered by us.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company and therefore reporting under clause 3(xv) 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. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve bank of India, hence, the requirement to report under Clause 3(xvi)(c) of the order is not applicable to the company.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xviii) of the order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in notes to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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) The Company has during the year fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (xxi) The Company is not required to prepare the consolidated financial statements as the company does not have subsidiary or associates or joint venture hence reporting under the clause (xxi) is not applicable to the company.

UDIN-25115665BMKOHW4442

**For Panpaliya Taori & Co.
Chartered Accountants**

Nagpur, dated the
30-05-2025

**Ritesh Panpaliya
Partner (M.No.115665)
Firms Reg. No. 125508W**

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of M/s Sharda Ispat Limited

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

We have audited the internal financial controls over financial reporting of M/s Sharda Ispat Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Panpaliya Taori & Co.
Chartered Accountants

UDIN-25115665BMKOHW4442

**Nagpur, dated
30th May, 2025.**

Ritesh Panpaliya
Partner (M.No.115665)
Firm Reg. No. 125508W

SHARDA ISPAT LIMITED, NAGPUR.
BALANCE SHEET AS AT 31ST MARCH 2025

| | | (Rs. In Lakhs) | |
|--|------|-----------------|-----------------|
| PARTICULARS | Note | 31.03.2025 | 31.03.2024 |
| Assets | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 4 | 195.36 | 237.82 |
| (b) Intangible assets | 5 | - | - |
| (c) Financial Assets | | | |
| Investments | 6 | 458.76 | 50.74 |
| Other financial assets | 7 | 3.64 | 61.04 |
| (d) Deferred tax Assets (Net) | 18 | 3.64 | - |
| (e) Current Tax Assets (Net) | 22 | 13.07 | - |
| Total Non-Current Assets | | 674.47 | 349.60 |
| 2 Current assets | | | |
| (a) Inventories | 8 | 2,161.88 | 2,695.58 |
| (b) Financial Assets | | | |
| Trade receivables | 9 | 1,231.13 | 1,267.76 |
| Cash and cash equivalents | 10 | 132.83 | 117.50 |
| Bank balances (other than above) | 11 | 84.34 | 29.88 |
| Loans | 12 | 4,937.45 | 2,912.82 |
| Other financial assets | 7 | 5.52 | 0.97 |
| (c) Other current assets | 13 | 588.46 | 298.32 |
| Total Current Assets | | 9,141.60 | 7,322.84 |
| TOTAL ASSETS | | 9,816.07 | 7,672.43 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 14 | 507.68 | 507.68 |
| (b) Other equity | 15 | 5,407.03 | 4,660.12 |
| Total Equity | | 5,914.71 | 5,167.80 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| Lease liabilities | 16 | - | 0.36 |
| (b) Provisions | 17 | 15.61 | 17.42 |
| (c) Deferred tax Liabilities (Net) | 18 | - | 1.87 |
| Total Non-Current Liabilities | | 15.61 | 19.65 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| Borrowings | 19 | 3,463.99 | 2,111.88 |
| Lease liabilities | 16 | 0.72 | 67.05 |
| Trade payables | 20 | | |
| (a).Total outstanding dues of Micro enterprises and small enterprises | | 6.04 | 0.69 |
| (b).Total outstanding dues of creditors other than Micro enterprises and small enterprises | | 292.46 | 143.54 |
| (b) Other current liabilities | 21 | 80.63 | 76.99 |
| (c) Provisions | 17 | 41.91 | 41.98 |
| (d) Current tax Liabilities (Net) | 22 | - | 42.84 |
| Total Current Liabilities | | 3,885.74 | 2,484.98 |
| Total Liabilities | | 3,901.36 | 2,504.63 |
| TOTAL EQUITY AND LIABILITIES | | 9,816.07 | 7,672.43 |

The Accompanying Notes are an Integral Part of the Financial Statements

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

For & on behalf of the Board of Directors
(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Amit Mundada)
(Company Secretary)

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 30/05/2025

Nagpur
Dated:- 30/05/2025

SHARDA ISPAT LIMITED, NAGPUR
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDING 31ST MARCH 2025

(Rs. In Lakhs)

| PARTICULARS | Note | For the year ended 31.03.2025 | For the year ended 31.03.2024 |
|---|------|----------------------------------|----------------------------------|
| I Income | | | |
| Revenue from Operations | 23 | 17,544.30 | 22,726.53 |
| Other Income | 24 | 311.01 | 176.84 |
| Total Income | | 17,855.31 | 22,903.37 |
| II Expenses | | | |
| Costs of Material Consumed | 25 | 14,323.32 | 17,952.00 |
| Purchases of Stock-in-Trade | 26 | 694.14 | - |
| Changes in Inventories of Stock-in-Trade & Finished Goods | 27 | (619.89) | 338.50 |
| Employee Benefits Expense | 28 | 286.52 | 276.43 |
| Finance Costs | 29 | 149.58 | 138.48 |
| Depreciation and Amortisation Expenses | 30 | 84.03 | 84.99 |
| Other Expenses | 31 | 1,917.48 | 2,236.11 |
| Total Expenses | | 16,835.18 | 21,026.50 |
| III Profit / (Loss) before Tax | | 1,020.13 | 1,876.87 |
| IV Tax Expense | | | |
| (1) Current Tax | | (264.06) | (478.71) |
| (2) Deferred tax (charge) / credit | | 2.68 | 0.64 |
| (3) Excess / (Short) provision for taxation in respect of earlier years | | (0.19) | (1.56) |
| | | - | - |
| | | (261.58) | (479.62) |
| V Profit / (Loss) for the Year | | 758.55 | 1,397.25 |
| VI Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Gain / Loss on Fair Valuation of Investment | | (19.38) | 92.69 |
| Remeseasurement of the net defined benefit plans | | 4.91 | 4.36 |
| Tax on above | | 2.83 | (9.50) |
| VII Total comprehensive income for the year | | 746.91 | 1,484.78 |
| VIII Earning per equity share of nominal value of ` 10/- each | 32 | 14.94 | 27.52 |
| Basic and Diluted | | | |

The Accompanying Notes are an Integral Part of the Financial Statements

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

For & on behalf of the Board of Directors
(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Amit Mundada)
(Company Secretary)

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 30/05/2025

Nagpur
Dated:- 30/05/2025

| SHARDA ISPAT LIMITED, NAGPUR. | | |
|---|-------------------|-----------------|
| CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025 | | |
| | (Rs. In Lakhs) | |
| Particulars | 31-03-2025 | 31-03-2024 |
| A. Cash Flow From Operating Activities | | |
| Net Profit(Loss) before tax | 1,020.13 | 1,876.87 |
| Adjustments for: | | |
| i) Depreciation & Amortisation | 84.03 | 84.99 |
| ii) Remeasurement of net defined plan | 4.91 | 4.36 |
| iii) Interest Paid | 149.58 | 138.48 |
| iv) Interest Received | (270.08) | (155.49) |
| v) Loss / (Profit) on redemption of Mutual Fund | (0.21) | (16.95) |
| vi) Profit on Fair valuation of Mutual Fund | - | (1.15) |
| vii) Profit on Sale of Fixed Assets | - | - |
| viii) Interest Income on security deposit | (0.29) | - |
| ix) Provision for doubtful debts | 1.24 | - |
| ix) Dividend received | (1.99) | - |
| Operating Profit before Working Capital Changes : | 987.32 | 1,931.09 |
| Adjustments for: | | |
| i) Decrease/(Increase) in Trade & Other Receivables | 35.40 | (83.69) |
| ii) Decrease/(Increase) in Inventories | 533.70 | (1,525.15) |
| iii) Increase/(Decrease) in Trade Payable & Other Liabilities | 157.90 | (16.18) |
| iv) Increase/(Decrease) in provision | (1.88) | 0.25 |
| v) Decrease/(Increase) in other financial asset and other asset | (290.32) | 942.64 |
| Cash Generation from Operations | 1,422.12 | 1,248.97 |
| Add: Taxes Paid | (320.17) | (505.42) |
| Net Cash from Operating Activities (A) | 1,101.95 | 743.55 |
| B. Cash Flow From Investing Activities | | |
| Purchase Of Fixed Assets | (41.57) | (13.40) |
| Sale of Fixed asset | - | - |
| Purchase of Investment | (445.51) | (1,350.00) |
| Sale of Investment | 18.32 | 2,392.16 |
| Loan (given)/received back during the year | (2,024.63) | (2,099.27) |
| Dividend Received | 1.99 | - |
| Interest Received | 268.94 | 155.49 |
| (Investment)/ Redemption of Bank deposits | - | (2.73) |
| Net Cash from Investing Activities (B) | (2,222.46) | (917.75) |
| C. Cash Flow From Financing Activities | | |
| Increase/(Decrease) in the Borrowings from Bank | (482.84) | (269.29) |
| Increase/(Decrease) in the Unsecured loan | 1,834.94 | 634.64 |
| Repayment of Lease obligation | (71.58) | (71.36) |
| Interest Paid | (144.69) | (125.52) |
| Net Cash from Financing Activities (C) | 1,135.83 | 168.47 |
| Net Increase/(Decrease) in Cash & Cash Equivalents A+B+C | 15.33 | (5.73) |
| Cash & Cash Equivalents at beginning of the year | 117.50 | 123.22 |
| Cash & Cash Equivalents at the year end | 132.83 | 117.50 |

The Accompanying Notes are an Integral Part of the Financial Statements

Panpaliya Taori and Co.
Firm Registration No. 125508W
Chartered Accountants

For & on behalf of the Board of Directors

(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Amit Mundada) (Poonam Sarda)
(Company Secretary) (Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 30/05/2025

Nagpur
Dated:- 30/05/2025

SHARDA ISPAT LIMITED, NAGPUR.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Statement of Changes in Equity

Equity share capital

| (Rs. In Lakhs) | | | |
|---|-------|---------------------------------------|---------------------------------------|
| Particulars | Notes | For the Year ended 31st March 2025 | For the Year ended 31st March 2024 |
| A. EQUITY SHARE CAPITAL | | | |
| Balance at the beginning of the year | 14 | 507.68 | 507.68 |
| Changes in equity share capital during the year | | - | - |
| Balance at the end of the year | | 507.68 | 507.68 |

B. OTHER EQUITY

| (Rs. In Lakhs) | | | | | | |
|------------------------------------|-------|-----------------|-------------------------------|-------------------|-------------------------------|-----------------|
| Particulars | Notes | Capital reserve | Securities Premium reserve | Retained Earnings | Other comprehensive income | Total |
| Balance at 1st April, 2023 | 15 | 25.00 | 273.79 | 2,473.38 | 403.17 | 3,175.34 |
| Profit / (Loss) for the year | | - | - | 1,397.25 | - | 1,397.25 |
| Transfer to retained earnings | | - | - | 443.76 | (443.76) | - |
| Other comprehensive income | | - | - | - | 87.54 | 87.54 |
| Balance at 31st March, 2024 | | 25.00 | 273.79 | 4,314.38 | 46.95 | 4,660.12 |
| Balance at 1st April, 2024 | | 25.00 | 273.79 | 4,314.38 | 46.95 | 4,660.12 |
| Profit / (Loss) for the year | 15 | - | - | 758.55 | - | 758.55 |
| Other comprehensive income | | - | - | - | (11.64) | (11.64) |
| Balance at 31st March, 2025 | | 25.00 | 273.79 | 5,072.93 | 35.31 | 5,407.03 |

The Accompanying Notes are an Integral Part of the Financial Statements

For & on behalf of the Board of Directors

Panpaliya Taori and Co.

Firm Registration No. 125508W

Chartered Accountants

(Nandkishore Sarda)

(Chairman cum Managing Director)

(DIN 00229911)

CA. Ritesh Panpaliya

Partner

Membership No.115665

(Amit Mundada)

(Company Secretary)

(Poonam Sarda)

(Whole Time Director & CFO)

(DIN 00190512)

Nagpur

Dated:- 30/05/2025

Nagpur

Dated:- 30/05/2025

Note 1. Company Overview And Material Accounting Policies**1.1 Company Overview**

Sharda Ispat Limited is a listed public limited company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in Manufacturing and job work of alloy steel flat / rolled products which are used in automobile component industries.

1.2 The financial statements are approved for issue by the Company's Board of Directors on 30th May 2025.

1.3. Recent Accounting Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Note 2. Basis of Preparation of Financial Statements

These 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 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements have been prepared on accrual basis and under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

I. Significant accounting judgements, estimates and assumptions

The preparation of financial statement is in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances 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 periods.

Estimates and assumptions

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The areas involving critical estimates or judgements are :

- Estimation of defined benefit obligation
- Impairment of financial asset such as trade receivables
- Impairment of Non- financial Assets
- Estimation of Tax Expense and Liability

Note 3: Material Accounting Policies:**I. Revenue recognition**

The company derives revenues primarily from sale of manufactured goods, traded goods, and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted to discounts, incentives and returns, etc., if any

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

The specific recognition criteria described below must also be met before revenue is recognised**A. Sale of goods**

Revenue from sale of products and services are recognised at a time on which the performance obligation is satisfied.

B. Interest and dividend:

Interest income including income arising on other instruments recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

C. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

II. Property, plant and equipment, investment property and depreciation / amortisation

A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

B. Subsequent expenditure relating to Property, Plant and Equipment is capitalised 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. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated on pro-rata basis.

Asset Category
Plant and Machinery

Estimated useful life (in Years)

15

| | |
|--------------------------------------|----|
| Computer servers and network systems | 6 |
| Computer desktops and laptops | 3 |
| Office Equipments | 5 |
| Vehicles | 8 |
| Furniture and Fixture | 10 |
| Factory Equipment | 5 |
| Factory Building | 30 |

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

III. Intangible assets and amortisation

Acquired computer softwares are classified as intangible assets and are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of five years, as determined by the management.

IV. 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.

A. Financial Assets

i. Initial recognition

Financial assets are initially measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. 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 recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

Financial liabilities issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

i Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

- Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

V. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI. Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit or loss.

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

VII. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax u/s 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

VIII. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

The raw material & Stores & Spares are valued at cost. The cost includes duties & taxes other than credits availed under modvat and is arrived at on First in First out basis

IX. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

X. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XI. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c) Leave Entitlement

The company has a scheme for leave encashment for employees. The liability for which is determined on estimation basis as per rules of the company.

XII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit or Loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

XIII. Earnings per Share

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

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 are adjusted for the effects of all dilutive potential equity shares.

XIV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

XV. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVI. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each 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 recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

XVII. Leases**Measurement of Lease Liability**

At the time of initial recognition, the Company measures lease liability as present value of all lease payments discounted using the Company's incremental cost of borrowing and directly attributable costs. Subsequently, the lease liability is –

- 1) increased by interest on lease liability;
- 2) reduced by lease payments made; and
- 3) remeasured to reflect any reassessment or lease modifications specified in Ind AS 116 'Leases', or to reflect revised fixed lease payments.

Measurement of Right-of-use assets

At the time of initial recognition, the Company measures 'Right-of-use assets' as present value of all lease payments discounted using the Company's incremental cost of borrowing w.r.t said lease contract. Subsequently, 'Right-of-use assets' is measured using cost model i.e. at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability specified in Ind AS 116 'Leases'.

Depreciation on 'Right-of-use assets' is provided on straight line basis over the lease period.

The exception permitted in Ind AS 116 for low value assets and short term leases has been adopted by Company.

SHARDA ISPAT LIMITED, NAGPUR.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025

Note 4 Property, plant and equipment

(Rs. In Lakhs)

| Particulars | Building | Plant and Machinery | Factory Equipment | Office Equipment | Furniture and Fittings | Computers | Servers and Networks | Vehicles | Lease Asset | Total |
|------------------------------------|---------------|---------------------|-------------------|------------------|------------------------|--------------|----------------------|---------------|---------------|-----------------|
| Gross Block | | | | | | | | | | |
| Balance at 31st March, 2024 | 200.70 | 1,433.61 | 4.88 | 34.26 | 44.88 | 11.74 | 2.23 | 113.09 | 176.56 | 2,021.96 |
| Additions | - | 40.95 | - | 0.31 | 0.15 | 0.16 | - | - | - | 41.56 |
| Disposals | - | - | - | - | - | - | - | - | - | - |
| Balance at 31st March, 2025 | 200.70 | 1,474.56 | 4.88 | 34.57 | 45.03 | 11.90 | 2.23 | 113.09 | 176.56 | 2,063.52 |
| Gross Block | | | | | | | | | | |
| Balance at 31st March, 2023 | 200.70 | 1,432.46 | 4.88 | 33.23 | 43.21 | 10.28 | 2.23 | 105.00 | 176.56 | 2,008.56 |
| Additions | - | 1.15 | - | 1.03 | 1.67 | 1.46 | - | 8.09 | - | 13.40 |
| Disposals | - | - | - | - | - | - | - | - | - | - |
| Balance at 31st March, 2024 | 200.70 | 1,433.61 | 4.88 | 34.26 | 44.88 | 11.74 | 2.23 | 113.09 | 176.56 | 2,021.96 |

| Particulars | Building | Plant and Machinery | Factory Equipment | Office Equipment | Furniture and Fittings | Computers | Servers and Networks | Vehicles | Lease Asset | Total |
|--|---------------|---------------------|-------------------|------------------|------------------------|--------------|----------------------|--------------|---------------|-----------------|
| Accumulated depreciation and impairment | | | | | | | | | | |
| Balance at 31st March, 2024 | 179.92 | 1,342.15 | 4.39 | 24.19 | 25.66 | 9.40 | 2.12 | 79.19 | 117.12 | 1,784.13 |
| Depreciation expense for the Year | 5.80 | 4.42 | 0.25 | 2.94 | 3.97 | 1.27 | - | 6.53 | 58.85 | 84.03 |
| Adjustment | - | - | - | - | - | - | - | - | - | - |
| Balance at 31st March, 2025 | 185.72 | 1,346.57 | 4.64 | 27.13 | 29.63 | 10.67 | 2.12 | 85.72 | 175.97 | 1,868.16 |
| Accumulated depreciation and impairment | | | | | | | | | | |
| Balance at 31st March, 2023 | 174.11 | 1,338.49 | 3.83 | 21.04 | 21.42 | 8.29 | 2.12 | 71.77 | 58.26 | 1,699.34 |
| Depreciation expense for the Year | 5.81 | 3.66 | 0.56 | 3.15 | 4.24 | 1.11 | - | 7.42 | 58.85 | 84.79 |
| Adjustment | - | - | - | - | - | - | - | - | - | - |
| Balance at 31st March, 2024 | 179.92 | 1,342.15 | 4.39 | 24.19 | 25.66 | 9.40 | 2.12 | 79.19 | 117.12 | 1,784.13 |
| Net Block as at 31st March, 2025 | 14.99 | 127.99 | 0.24 | 7.44 | 15.40 | 1.23 | 0.11 | 27.36 | 0.59 | 195.36 |
| Net Block as at 31st March, 2024 | 20.78 | 91.46 | 0.49 | 10.07 | 19.22 | 2.34 | 0.11 | 33.90 | 59.44 | 237.82 |

SHARDA ISPAT LIMITED, NAGPUR.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025

Note 5 Intangible assets

| (Rs. In Lakhs) | |
|------------------------------------|-------------|
| Particulars | Software |
| Gross block | |
| Balance at 31st March, 2024 | 3.88 |
| Additions | - |
| Disposals | - |
| Balance at 31st March, 2025 | 3.88 |
| Gross Block | |
| Balance at 31st March, 2023 | 3.88 |
| Additions | - |
| Disposals | - |
| Balance at 31st March, 2024 | 3.88 |

| Particulars | Software |
|--|-------------|
| Accumulated Depreciation and Impairment | |
| Balance at 31st March, 2024 | 3.88 |
| Eliminated on disposal of assets | - |
| Depreciation expense | - |
| Balance at 31st March, 2025 | 3.88 |
| Accumulated depreciation and impairment | |
| Balance at 31st March, 2023 | 3.70 |
| Eliminated on disposal of assets | - |
| Depreciation expense | 0.18 |
| Balance at 31st March, 2024 | 3.88 |
| | |
| Net Block as at 31st March, 2025 | - |
| Net Block as at 31st March, 2024 | - |

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025

Note 6 Investments

Non Current

| Particulars | Face Value | As at 31.03.2025 | | As at 31.03.2024 | |
|--|------------|------------------|---------------|------------------|--------------|
| | | Qty | Fair Value | Qty | Fair Value |
| Investment in equity instruments (Unquoted) (Refer Footnote a) | | | | | |
| Nagpur Nagrik Sahakari Bank | 50.00 | 65,252.00 | 32.63 | 65,252.00 | 32.63 |
| Investment in equity instruments (Quoted) (Refer Footnote a) (at Fair value through Other Comprehensive Income) | | | | | |
| Anand Rathi Wealth Limited | 5.00 | 272.00 | 5.20 | - | - |
| Barbeque-Nation Hospitality Limited | 5.00 | 1,894.00 | 5.13 | - | - |
| Birla Corporation Limited | 10.00 | 99.00 | 1.05 | - | - |
| Bls International Services Limited | 1.00 | 333.00 | 1.33 | - | - |
| Capacit'E Infraprojects Limited | 10.00 | 1,418.00 | 4.97 | - | - |
| Cesc Limited | 1.00 | 4,237.00 | 6.52 | - | - |
| Ecos (India) Mobility & Hospitality Limited | 2.00 | 337.00 | 0.64 | - | - |
| Edelweiss Financial Services Limited | 1.00 | 3,232.00 | 2.91 | - | - |
| Electronics Mart India Limited | 10.00 | 640.00 | 0.78 | - | - |
| Electrosteel Castings Limited | 1.00 | 2,039.00 | 2.00 | - | - |
| Engineers India Limited | 5.00 | 2,475.00 | 3.97 | - | - |
| Hdfc Asset Management Company Limited | 5.00 | 55.00 | 2.21 | - | - |
| Hindustan Petroleum Corporation Limited | 10.00 | 1,404.00 | 5.06 | - | - |
| Indraprastha Medical Corporation Limited | 10.00 | 163.00 | 0.63 | - | - |
| Interglobe Aviation Limited | 10.00 | 57.00 | 2.92 | - | - |
| International Gemmological Institute (India) Limited | 2.00 | 221.00 | 0.85 | - | - |
| Iol Chemicals And Pharmaceuticals Limited | 2.00 | 2,580.00 | 1.58 | - | - |
| Lux Industries Limited | 2.00 | 81.00 | 1.11 | - | - |
| Mcx India Limited | 10.00 | 74.00 | 3.93 | - | - |
| Navkar Corporation Limited | 10.00 | 2,334.00 | 2.41 | - | - |
| Polyplex Corporation Limited | 10.00 | 87.00 | 1.04 | - | - |
| Praj Industries Limited | 2.00 | 690.00 | 3.83 | - | - |
| Prakash Industries Limited | 10.00 | 1,733.00 | 2.76 | - | - |
| Reliance Infrastructure Limited | 10.00 | 1,057.00 | 2.73 | - | - |
| Shyam Metalics And Energy Limited | 10.00 | 167.00 | 1.43 | - | - |
| Siyaram Silk Mills Limited | 2.00 | 89.00 | 0.58 | - | - |
| Solara Active Pharma Sciences Limited | 10.00 | 253.00 | 1.30 | - | - |
| Td Power Systems Limited | 2.00 | 1,419.00 | 5.82 | - | - |
| Thomas Cook India Ltd | 1.00 | 1,389.00 | 1.87 | - | - |
| Tube Investments Of India Limited | 1.00 | 71.00 | 1.97 | - | - |
| Upl Limited | 2.00 | 990.00 | 6.30 | - | - |
| Usha Martin Limited | 1.00 | 1,028.00 | 3.47 | - | - |
| Vst Tillers Tractors Limited | 10.00 | 87.00 | 3.38 | - | - |
| Welspun Corp Limited | 5.00 | 771.00 | 6.71 | - | - |
| Yatharth Hospital & Trauma Care Services Limited | 10.00 | 338.00 | 1.44 | - | - |
| Investment in Mutuals Fund (Quoted) (at Fair value through Other Comprehensive Income) | | | | | |
| HDFC Nifty Smallcap 250 ETF | - | 30,500.00 | 46.41 | - | - |
| Kotak Nifty Midcap 50 ETF | - | 33,000.00 | 48.93 | - | - |
| HDFC Midcap Opportunities Fund - Direct Plan - Growth option | - | 9,838.46 | 18.76 | - | - |
| ICICI Prudential Nifty Next 50 Index Fund - Direct Plan - Growth | - | 75,723.61 | 44.09 | - | - |
| Kotak Emerging Equity Fund - Direct Plan - Growth | - | 34,528.42 | 47.08 | - | - |
| Nippon India ETF Nifty Midcap 150 | - | 24,600.00 | 48.54 | - | - |
| Mirae Asset Nifty 1D Rate Liquid ETF - Growth | - | 7,072.00 | 72.49 | - | - |
| Investment in Mutuals Fund (Quoted) (at Fair value through profit & loss a/c) | | | | | |
| HDFC Liquid Fund - Direct Plan - Growth Option | - | - | - | 381.72 | 18.11 |
| Total | | | 458.76 | | 50.74 |
| Footnote a: | | | | | |
| Aggregate amount of quoted investments | | | 426.13 | | 18.11 |
| Aggregate amount of unquoted investments | | | 32.63 | | 32.63 |
| Aggregate provision for diminution in value of investment | | | - | | - |

| (Rs. In Lakhs) | | |
|--|--|---------------------------|
| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
| Note 7 Other financial assets | | |
| Non current | | |
| Unsecured - considered good, unless otherwise stated | | |
| Deposits with maturity more than twelve months# | - | 31.89 |
| Interest accrued but not due | - | 0.47 |
| Security deposits | 3.64 | 28.68 |
| Total | 3.64 | 61.04 |
| Current | | |
| Unsecured - considered good, unless otherwise stated | | |
| Interest Receivable | 5.48 | 0.93 |
| Other current assets | 0.04 | 0.04 |
| Total | 5.52 | 0.97 |
| Note 8 Inventories | | |
| Inventories (lower of cost or net realisable value) | | |
| Raw Material | 1,210.43 | 1,761.75 |
| Stock-in-Trade | 132.09 | 614.95 |
| Finished Goods | 736.23 | 248.43 |
| Stores and Spares | 83.13 | 70.45 |
| Total | 2,161.88 | 2,695.58 |
| Note 9 Trade receivables | | |
| Unsecured, considered good | 1,233.87 | 1,269.26 |
| Secured, considered good | - | - |
| Trade Receivables which have significant increase in Credit Risk | - | - |
| Trade Receivables - credit impaired | - | - |
| Less: Allowance for expected credit loss | (2.74) | (1.50) |
| Total | 1,231.13 | 1,267.76 |
| The movement in change in allowance for expected credit loss | | |
| Balance as at beginning of the year | 1.50 | 2.14 |
| Change in allowance for expected credit loss and credit impairment during the year | 1.24 | (0.64) |
| Balance as at end of the year | 2.74 | 1.50 |
| No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member, except Rs. 578.96 lakhs (March 2024: Rs. 610.78 lakhs) which is due from companies in which directors have a significant influence. Trade receivables are non-interest bearing and are generally on terms of 30 days. | | |
| Trade Receivable | F.Y. 2024-25 | |
| Particulars | Outstanding for following periods from due date of payment | |
| | Less than 6 months | 6 months to 1 year |
| (i) Undisputed Trade receivables – considered good | 1,230.88 | 0.25 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 2.74 | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - |
| Total Trade Receivables | | 1,233.87 |
| Less: Allowance for expected credit loss | | (2.74) |
| Total Trade Receivables | | 1,231.13 |
| Trade Receivable | F.Y. 2023-24 | |
| Particulars | Outstanding for following periods from due date of payment | |
| | Less than 6 months | 6 months to 1 year |
| (i) Undisputed Trade receivables – considered good | 1,267.76 | - |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 1.50 | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - |
| (iv) Disputed Trade Receivables– considered good | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - |
| Total Trade Receivables | | 1,269.26 |
| Less: Allowance for expected credit loss | | (1.50) |
| Total Trade Receivables | | 1,267.76 |

| | | |
|--|--|--|
| Note 10 Cash and cash equivalents | | |
| Balances with banks: | | |
| - in current accounts | 132.66 | 117.26 |
| Cash on hand | 0.17 | 0.23 |
| Total | 132.83 | 117.50 |
| Note 11 Bank balances (other than above) | | |
| Other Bank Balances: | | |
| Bank account with portfolio management service provider | 22.57 | - |
| Deposits with maturity of more than three months but less than twelve months*# | 61.77 | 29.88 |
| Total | 84.34 | 29.88 |
| * The bank deposits have an original maturity of 366 to 2,554 days however aforesaid deposits will mature within a year i.e. before March 2026 and carry an interest rate of 4.50% to 7.25% p.a. which is receivable on maturity. # The fixed deposits are under lien for the purpose of bank guarantees. | | |
| Note 12 Loans | | |
| Current | | |
| Unsecured - considered good, unless otherwise stated | | |
| Loans to related parties | 4,935.74 | 2,910.86 |
| Loans to employees | 1.71 | 1.96 |
| Total | 4,937.45 | 2,912.82 |
| Loans & Advances | | |
| | F.Y. 2024-25 | Rs. In Lakhs |
| Type of Borrower | Amount of Loans & Advances in the nature of loans Outstanding | Percentage to the total loans and advances in the nature of loans |
| Promoters | - | - |
| Directors | - | - |
| KMP | - | - |
| Related Party | 4,935.74 | 99.97 |
| Loans & Advances | | |
| | F.Y. 2023-24 | Rs. In Lakhs |
| Type of Borrower | Amount of Loans & Advances in the nature of loans Outstanding | Percentage to the total loans and advances in the nature of loans |
| Promoters | - | - |
| Directors | - | - |
| KMP | - | - |
| Related Party | 2,910.86 | 99.93 |
| Footnote: | | |
| The Company have not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: | | |
| a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or | | |
| b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries | | |
| Note 13 Other current assets | | |
| Unsecured - considered good, unless otherwise stated | | |
| Advance for Purchases | 478.82 | 21.39 |
| Balance with Statutory Authorities | 109.59 | 276.68 |
| Advance rentals | 0.05 | 0.26 |
| Total | 588.46 | 298.32 |

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Note 14 Equity share capital

(Rs. In Lakhs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Authorised Share Capital | | |
| 51,00,000 (As at 31st March, 2024: 51,00,000) Ordinary Equity Shares of Rs.10 each | 510.00 | 510.00 |
| Total | 510.00 | 510.00 |
| Issued and subscribed capital comprises: | | |
| Ordinary Equity Shares | | |
| 50,76,800 (As at 31st March, 2024: 50,76,800) Equity Shares of Rs.10/- each fully paid up | 507.68 | 507.68 |
| Total | 507.68 | 507.68 |

a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

| Particulars | Number of shares | Share Capital (Rs) |
|---|------------------|-----------------------|
| Ordinary Equity Shares | | |
| Balance at 1st April, 2023 | 50.77 | 507.68 |
| Add / (Less) : Issued / (Bought back) during the year | - | - |
| Balance at 31st March, 2024 | 50.77 | 507.68 |
| Add / (Less) : Issued / (Bought back) during the year | - | - |
| Balance at 31st March, 2025 | 50.77 | 507.68 |

Terms / rights attached to Equity Shares:

- i. The company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share held. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, in proportion to their shareholding.

Equity Share Capital

b) Details of shareholders holding more than 5% shares in the Company

| Particulars | As at 31st March, 2025 | | As at 31st March, 2024 | |
|---|------------------------|-----------------------------------|------------------------|-----------------------------------|
| | No of shares held | % holding of this class of shares | No of shares held | % holding of this class of shares |
| Ordinary Equity Shares | | | | |
| Kyoto Merchandise Private Limited | 4,00,000 | 7.88% | 4,00,000 | 7.88% |
| Sulakshana Trade Holdings Limited | 2,85,660 | 5.63% | 2,85,660 | 5.63% |
| Anand Nandkishore Sarda | 5,84,000 | 11.50% | 5,84,000 | 11.50% |
| Ashadevi Sarda | 7,65,220 | 15.07% | 7,65,220 | 15.07% |
| Asha Agriculture & Properties Pvt. Ltd. | 5,26,500 | 10.37% | 5,26,500 | 10.37% |
| Nandkishore Sarda | 3,23,100 | 6.36% | 3,23,100 | 6.36% |

c) Details of Promoters shareholders holding in equity shares of the company

For the year ended March 31, 2025

| Sr. No. | Promoter Name | No. of Shares | % of total shares | % Change during the year |
|---------|--|------------------|-------------------|--------------------------|
| 1 | KYOTO MERCHANDISE PRIVATE LIMITED | 4,00,000 | 7.88 | Nil |
| 2 | SARDA AGRICULTURE & PROPERTIES (P) LTD. | 1,81,400 | 3.57 | Nil |
| 3 | PREM AGRICULTURE AND PROPERTY PRIVATE LIMITED | 2,25,740 | 4.45 | Nil |
| 4 | ASHA AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 5,26,500 | 10.37 | Nil |
| 5 | PRACHI AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 98,100 | 1.93 | Nil |
| 6 | NAVDEEP AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 2,43,380 | 4.79 | Nil |
| 7 | POONAM SARDA | 1,28,060 | 2.52 | Nil |
| 8 | NANDKISHORE RAMNIWAS SARDA | 3,23,100 | 6.36 | Nil |
| 9 | ANANDKUMAR NANDKISHORE SARDA | 5,84,000 | 11.50 | Nil |
| 10 | MANISH JUGALKISHORE SARDA | 1,29,133 | 2.54 | Nil |
| 11 | NEERAJ SARDA | 79,067 | 1.56 | Nil |
| 12 | ASHADEVI SARDA | 7,65,220 | 15.07 | Nil |
| 13 | ADITYA GHANSHYAM SARDA | 32,200 | 0.63 | Nil |
| 14 | VEENADEVI GHANSHYAM SARDA | 55,000 | 1.08 | Nil |
| 15 | ANANDKUMAR NANDKISHORE SARDA (HUF) | 24,000 | 0.47 | Nil |
| 16 | KAMINI SHARDA | 1,200 | 0.02 | Nil |
| 17 | R R SARDA AND COMPANY | 10,000 | 0.20 | Nil |
| | Total | 38,06,100 | 74.97 | Nil |

*Promoter here means promoter as defined in the Companies Act, 2013.

** Details shall be given separately for each class of shares

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.”;

For the year ended March 31, 2024

| Sr. No. | Promoter Name | No. of Shares | % of total shares | % Change during the year |
|---------|--|------------------|-------------------|--------------------------|
| 1 | KYOTO MERCHANDISE PRIVATE LIMITED | 4,00,000 | 7.88 | Nil |
| 2 | SARDA AGRICULTURE & PROPERTIES (P) LTD. | 1,81,400 | 3.57 | Nil |
| 3 | PREM AGRICULTURE AND PROPERTY PRIVATE LIMITED | 2,25,740 | 4.45 | Nil |
| 4 | ASHA AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 5,26,500 | 10.37 | Nil |
| 5 | PRACHI AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 98,100 | 1.93 | Nil |
| 6 | NAVDEEP AGRICULTURE AND PROPERTIES PRIVATE LIMITED | 2,43,380 | 4.79 | Nil |
| 7 | POONAM SARDA | 1,28,060 | 2.52 | Nil |
| 8 | NANDKISHORE RAMNIWAS SARDA | 3,23,100 | 6.36 | Nil |
| 9 | ANANDKUMAR NANDKISHORE SARDA | 5,84,000 | 11.50 | Nil |
| 10 | MANISH JUGALKISHORE SARDA | 1,29,133 | 2.54 | Nil |
| 11 | NEERAJ SARDA | 79,067 | 1.56 | Nil |
| 12 | ASHADEVI SARDA | 7,65,220 | 15.07 | Nil |
| 13 | ADITYA GHANSHYAM SARDA | 32,200 | 0.63 | Nil |
| 14 | ANSU SARDA | 1,500 | 0.03 | Nil |
| 15 | VEENADEVI GHANSHYAM SARDA | 55,000 | 1.08 | Nil |
| 16 | ANANDKUMAR NANDKISHORE SARDA (HUF) | 24,000 | 0.47 | Nil |
| 17 | KAMINI SHARDA | 1,200 | 0.02 | Nil |
| 18 | R R SARDA AND COMPANY | 10,000 | 0.20 | Nil |
| | Total | 38,07,600 | 75.00 | Nil |
| | | | | |

*Promoter here means promoter as defined in the Companies Act, 2013.

** Details shall be given separately for each class of shares

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.”;

No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.

d)

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

(Rs. In Lakhs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Note 15 Other equity | | |
| Capital Reserve | 25.00 | 25.00 |
| General reserve | 273.79 | 273.79 |
| Retained Earning | 5,072.93 | 4,314.38 |
| Other comprehensive income | 35.31 | 46.95 |
| Total | 5,407.03 | 4,660.12 |
| Capital Reserve | | |
| Balance at the beginning of the year | 25.00 | 25.00 |
| Add / (Less) : | - | - |
| Balance at the end of the year | 25.00 | 25.00 |
| Securities Premium | | |
| Balance at the beginning of the year | 273.79 | 273.79 |
| Add / (Less) : | - | - |
| Amount transferred from Debenture redemption reserve | - | - |
| Balance at the end of the year | 273.79 | 273.79 |
| Retained Earnings | | |
| Balance at the beginning of the year | 4,314.38 | 2,473.38 |
| Profit attributable to the owners of the company | 758.55 | 1,397.25 |
| Transfer from Other comprehensive income | - | 443.76 |
| Balance at the end of the year | 5,072.93 | 4,314.38 |
| Other comprehensive income | | |
| Balance at the beginning of the year | 46.95 | 403.17 |
| Transfer to retained earnings | - | (443.76) |
| Gain / Loss on Fair Valuation of Investment | (19.38) | 92.69 |
| Remeseasurement of the net defined benefit plans | 4.91 | 4.36 |
| Tax on above | 2.83 | (9.50) |
| Balance at the end of the year | 35.31 | 46.95 |

Security Premium :

Security Premium represents the premium received on issue of shares. It can be utilised to pay-off equity related expenses or for issuance of bonus shares and its related issue expenses.

Capital reserve

Capital Reserve is a reserve that is created out of capital profits.

Retained Earnings

Retained earnings is a free reserve available to the Company.

(Rs. In Lakhs)

| | | |
|----------------------------------|-------------------------|-------------------------|
| Note 16 Lease liabilities | As at | As at |
| Non-current | 31st March, 2025 | 31st March, 2024 |
| Lease Liability (Refer Note 38) | - | 0.36 |
| Current | | |
| Lease Liability (Refer Note 38) | 0.72 | 67.05 |
| Total | 0.72 | 67.42 |
| Note 17 Provisions | | |
| Non-current | | |
| <u>Employee Benefits</u> | | |
| Provision for Gratuity | 15.61 | 17.42 |
| Total | 15.61 | 17.42 |
| Current | | |
| <u>Employee Benefits</u> | | |
| Provision for Gratuity | 37.53 | 34.88 |
| Provision for leave benefit | 4.38 | 7.10 |
| Total | 41.91 | 41.98 |

| | | |
|--|-------------|----------------|
| Note 18 Deferred tax Assets / (Liabilities) (Net) | | (Rs. In Lakhs) |
| The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet | | |
| Deferred Tax Asset | 3.64 | - |
| Deferred Tax Liability | - | (1.87) |
| Total | 3.64 | (1.87) |

| Particulars | Opening Balance DTA / (DTL) | Charge / (Credit) in statement of Profit and Loss | Closing Balance DTA / (DTL) |
|--|--------------------------------|---|--------------------------------|
| For 2024-25 | | | |
| Deferred tax assets / (liabilities) in relation to: | | | |
| On account of Allowances under Income Tax Act | 2.64 | 2.64 | - |
| On account of Employee Benefits | 13.16 | (1.97) | 15.14 |
| Property, plant and equipment | (17.76) | (1.46) | (16.31) |
| Fair Valuation of Investment | (0.29) | (4.35) | 4.06 |
| Short term capital loss on Investment | - | (0.06) | 0.06 |
| Expected Credit Loss | 0.38 | (0.31) | 0.69 |
| Total | (1.87) | (5.51) | 3.64 |
| For 2023-24 | | | |
| Deferred tax assets / (liabilities) in relation to: | | | |
| On account of Allowances under Income Tax Act | 2.90 | 0.26 | 2.64 |
| On account of Employee Benefits | 12.82 | (0.34) | 13.16 |
| Property, plant and equipment | (19.86) | (2.10) | (17.76) |
| Fair Valuation of Investment | (46.72) | (46.43) | (0.29) |
| Expected Credit Loss | 0.54 | 0.16 | 0.38 |
| Total | (50.32) | (48.45) | (1.87) |

| | | | |
|---|--|-----------------|-----------------|
| Note 19 Borrowings | | | |
| Current | | | |
| (i) Secured (Refer Footnote a) | | | |
| From Banks | | | |
| Nagpur Nagrik Sahakari Bank Ltd. (CC A/c) | | 114.96 | 597.80 |
| ICICI Bank Credit Card | | 0.00 | - |
| (ii) Unsecured (Refer Footnote b) | | | |
| Corporate Loans and advances | | 3,349.03 | 1,514.08 |
| Total | | 3,463.99 | 2,111.88 |

Disclosure related to Statement submitted to bank and amount disclosed in financial statement.

| Name of bank | Quarter | Nature of current assets offered as security | Amount as reported in the quarterly return/ statement | Amount as per books of account | Amount of difference * |
|----------------------------------|--------------|--|---|-----------------------------------|------------------------|
| Nagpur Nagrik Sahakari Bank Ltd. | June-24 | Stock | 1,562.03 | 1,562.03 | 0.00 |
| | June-24 | Book Debts | 1,738.06 | 1,738.06 | - |
| | June-24 | Creditors | 4.11 | 4.11 | 0.00 |
| | September-24 | Stock | 3,147.02 | 3,147.02 | - |
| | September-24 | Book Debts | 1,073.33 | 1,073.26 | 0.07 |
| | September-24 | Creditors | 21.54 | 21.54 | 0.00 |
| | December-24 | Stock | 974.98 | 974.98 | - |
| | December-24 | Book Debts | 1,665.71 | 1,662.50 | 3.21 |
| | December-24 | Creditors | 129.18 | 129.18 | 0.00 |
| | March-25 | Stock | 2,071.54 | 2,078.74 | (7.21) |
| | March-25 | Book Debts | 1,250.54 | 1,233.87 | 16.67 |
| | March-25 | Creditors | 72.03 | 115.32 | (43.29) |

* Difference in stock due to incorrect valuation of stock, difference in book debts due to discount and tax deducted at source entry passed after preparation of stock statement, difference in creditors due to material booked after preparation of stock statements.

| Name of bank | Quarter | Nature of current assets offered as security | Amount as reported in the quarterly return/ statement | Amount as per books of account | Amount of difference * |
|----------------------------------|--------------|--|---|-----------------------------------|------------------------|
| Nagpur Nagrik Sahakari Bank Ltd. | June-23 | Stock | 1,560.06 | 1,563.56 | (3.50) |
| | June-23 | Book Debts | 1,247.28 | 1,247.28 | - |
| | June-23 | Creditors | 5.06 | 5.06 | - |
| | September-23 | Stock | 609.60 | 618.74 | (9.14) |
| | September-23 | Book Debts | 1,237.45 | 1,237.45 | - |
| | September-23 | Creditors | 4.81 | 4.81 | - |
| | December-23 | Stock | 1,336.95 | 1,336.95 | (0.01) |
| | December-23 | Book Debts | 2,011.31 | 2,011.31 | (0.00) |
| | December-23 | Creditors | 167.03 | 167.03 | - |
| | March-24 | Stock | 2,010.61 | 2,009.64 | 0.97 |
| | March-24 | Book Debts | 1,271.36 | 1,269.26 | 2.10 |
| | March-24 | Creditors | 40.45 | 38.44 | 2.01 |

* Due to incorrect valuation of stock.

Footnotes:

- All facilities including working capital loan, bills discounting limit backed by Letters of credit and Bank Guarantee limit are further secured by way of Notorized Equitable Mortgage of house property of one director as Collateral security.
All facilities are secured by personal guarantees of two directors.
- Unsecured loan carry interest rate @11% p.a.

| Note 20 Trade payables | As at 31st March, 2025 | As at 31st March, 2024 |
|------------------------|---------------------------|---------------------------|
| MSME (Refer Footnote) | 6.04 | 0.69 |
| Other than Acceptances | 292.46 | 143.54 |
| Total | 298.50 | 144.23 |

Outstanding for following periods from transaction date for the year ended March 2025.

| Particulars | Outstanding for following periods from due date of payment# | | | | |
|-----------------------------|---|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 6.04 | - | - | - | 6.04 |
| (ii) Others | 287.32 | 0.55 | 1.20 | 3.38 | 292.46 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues – others | - | - | - | - | - |

Outstanding for following periods from transaction date for the year ended March 2024.

| Particulars | Outstanding for following periods from due date of payment# | | | | |
|-----------------------------|---|-----------|-----------|-------------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 0.69 | - | - | - | 0.69 |
| (ii) Others | 132.12 | 8.04 | 3.38 | - | 143.54 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues – others | - | - | - | - | - |

Footnote:

Trade payables are non interest bearing and normally settled on 30 to 90 days

Dues to Micro & Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditor. Moreover the Company is in the process of updating its suppliers data, as to the status as a Micro Small & Medium Enterprise with a copy of the Memorandum filed as per the provisions of Section 8 of the Micro Small & Medium Enterprises Development Act, 2006.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| | Principal | Interest |
| a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year : | 6.04 | 0.69 |
| b) Interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed day during the year. | - | - |
| c) Interest due and payable towards payments already made | - | - |
| d) The amount of interest accrued and remaining unpaid at the end of each accounting year, and | - | - |
| e) Further interest remaining due and payable in succeeding years, until such interest is actually paid | - | - |

| Note 21 Other current liabilities | | |
|--|----------------|--------------|
| Advance from customers | - | 0.15 |
| Other payables | 80.63 | 76.84 |
| Total | 80.63 | 76.99 |
| Note 22 Current tax Liabilities / (Assets) (Net) | | |
| Provision for Tax | 264.06 | 536.03 |
| Less: Advance Tax | (277.13) | (493.19) |
| Total | (13.07) | 42.84 |

| Income Tax expenses | (Rs. In Lakhs) | |
|---|----------------|---------------|
| Current Tax | 31-Mar-25 | 31-Mar-24 |
| Tax for the year | 264.06 | 478.71 |
| Tax in respect of earlier years | 0.19 | 1.56 |
| Total Current Tax Expenses | 264.25 | 480.27 |
| Deferred Tax Expenses / (Income) | (2.68) | (0.64) |
| Income Tax expense | 261.58 | 479.62 |
| Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate | | |
| Profit for the Year | 1,020.13 | 1,876.87 |
| Applicable Rate of Tax | | |
| Income tax expense calculated at 25.168% (P.Y. @25.168%) | 256.75 | 472.37 |
| Effect of expenses that are not deductible in determining taxable profit | 31.78 | 27.67 |
| Effect of expenses / Income that are deductible in determining taxable profit due to timing difference / other head of income | (24.47) | (26.64) |
| Effect of income that is exempt from taxation | - | - |
| Capital gains (Differential tax rate) | - | - |
| Effect on deferred tax due to timing difference | (2.68) | (0.64) |
| Adjustments for current tax of prior periods | 0.19 | 1.56 |
| Others | 0.00 | 5.31 |
| | 261.58 | 479.62 |

SHARDA ISPAT LIMITED, NAGPUR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ In Lakhs)

| Particulars | For the Year ending 31st March, 2025 | For the Year ending 31st March, 2024 |
|---|---|---|
| Note 23 Revenue from Operations | | |
| Sale of Goods | 17,544.30 | 22,726.53 |
| Sale of Services | - | - |
| Total | 17,544.30 | 22,726.53 |
| Particulars | 31st March, 2025 | 31st March, 2024 |
| Revenue from customers | 17,544.30 | 22,726.53 |
| Other operating revenue | - | - |
| Total revenue from operations | 17,544.30 | 22,726.53 |
| India | 17,544.30 | 22,726.53 |
| Outside India | - | - |
| Total revenue from operations | 17,544.30 | 22,726.53 |
| Timing of revenue recognition | | |
| At a point in time | 17,544.30 | 22,726.53 |
| Total revenue from operations | 17,544.30 | 22,726.53 |
| Contract Balances | | |
| Particulars | | |
| Trade Receivables (Gross) (refer note 9) | 1,231.13 | 1,267.76 |
| Contract liabilities | | |
| Advance from customers (refer note 21) | - | 0.15 |
| <p>The credit period on sales of goods ranges from 90 days with or without security.</p> <p>As at 31 March 2025, ₹ 2.74 lakhs (As at 31 March 2024: ₹ 1.50 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.</p> <p>Out of the total contract liabilities outstanding as on 31 March 2024, ₹ 0.15 Lakhs will be recognized by 31 March, 2025.</p> | | |
| Note 24 Other Income | | |
| Interest Income | 270.08 | 155.49 |
| Dividend Income | 1.99 | 1.79 |
| Other Income | 38.44 | 0.49 |
| Fair value gain on investments measured at fair value through profit or loss* | 0.21 | 18.11 |
| Reversal of Allowance for expected credit loss | - | 0.64 |
| Finance Income on security deposits | 0.29 | 0.32 |
| Total | 311.01 | 176.84 |
| * includes realised gain on sale of investments of ₹ 1.36 lakhs (31 March, 2024: ₹ 16.95 lakhs) | | |
| Note 25 Costs of Material Consumed | | |
| Opening Stock of Raw Material | 1,761.75 | 523.28 |
| Purchases including Expenses | 13,773.00 | 19,190.46 |
| | 15,534.75 | 19,713.75 |
| Less : Sales of Raw Material | (1.00) | - |
| Less: Closing Stock of Raw Material | (1,210.43) | (1,761.75) |
| Total | 14,323.32 | 17,952.00 |
| Note 26 Purchases of Stock-in-Trade | | |
| Purchases of Stock | 694.14 | - |
| Total | 694.14 | - |

| | | |
|--|-----------------|-----------------|
| Note 27 Changes in Inventories of Stock-in-Trade & Finished Goods | | |
| Opening Stock of Finished Goods | 248.43 | 586.93 |
| Less : Closing Stock of Finished Goods | (868.34) | (248.43) |
| Total | (619.89) | 338.50 |
| Note 28 Employee Benefits Expense | | |
| Salaries and wages | 271.26 | 265.23 |
| Contribution to provident and other funds | 8.17 | 4.60 |
| Staff welfare expenses | 7.09 | 6.60 |
| Total | 286.52 | 276.43 |
| Note 29 Finance Costs | | |
| Interest expense on borrowings | 144.70 | 125.52 |
| Interest on lease liabilities | 4.88 | 12.96 |
| Total | 149.58 | 138.48 |
| Note 30 Depreciation and Amortisation Expenses | | |
| Depreciation on property, plant and equipment | 25.18 | 25.94 |
| Depreciation on right of use asset | 58.85 | 58.85 |
| Depreciation on Intangible Asset | - | 0.18 |
| Total | 84.03 | 84.99 |
| Note 31 Other Expenses | | |
| Consumption of Stores & Spare Parts | 104.93 | 97.91 |
| Power & Fuel | 640.28 | 703.25 |
| <u>Repairs & Maintenance to</u> | | |
| Plant & Machinery | 5.93 | 1.65 |
| Building | 0.89 | - |
| Others | 15.79 | 29.38 |
| Finished Goods Expenses | 4.75 | 13.42 |
| Rent Expense | 0.48 | 0.82 |
| Bank Charges & Interest on LC Disc. | 3.99 | 2.13 |
| FG Outward Transportation Charges | 581.63 | 733.18 |
| Cash Discount | 271.23 | 362.26 |
| Factory Operating Expenses | 35.35 | 40.48 |
| Allowance for expected credit loss | 1.24 | - |
| Professional charges | 49.07 | 85.85 |
| Contractors Payments | 112.02 | 95.88 |
| Director Sitting Fees | 0.24 | 0.24 |
| Corporate Social Responsibility Expenses | 19.00 | 9.66 |
| Other Miscellaneous Expenses | 67.16 | 57.01 |
| <u>Payment to Auditors</u> | | |
| Audit Fees | 2.00 | 1.50 |
| Tax Audit Fees | 0.75 | 0.75 |
| Certification Work | 0.75 | 0.75 |
| Total | 1,917.48 | 2,236.11 |

Footnote:

Corporate Social Responsibility

Gross amount required to be spent by the company during the year.

Amount spent during the year on:

Construction/acquisition of any asset

On purposes other than (i) above

| | Year Ended 31st March, 2025 | Year Ended 31st March, 2024 |
|---|--|--|
| Gross amount required to be spent by the company during the year. | 18.84 | 9.39 |
| Amount spent during the year on: | 19.00 | 9.66 |
| Construction/acquisition of any asset | - | - |
| On purposes other than (i) above | 19.00 | 9.66 |

The additional disclosures included with regard to CSR activities are summarized below:-

The amount of shortfall / (excess) at the end of the year out of the amount

required to be spent by the Company during the year;

The total of previous years' shortfall / (Excess) amounts;

The reason for above shortfalls by way of a note;

(Excess) / Shortfall Payment at the end of the year

| | | |
|---|--------|---|
| | (0.16) | - |
| | (0.27) | (0.27) |
| | - | - |
| | (0.43) | (0.27) |
| Animal Welfare and Health care and medical facilities | | Animal Welfare and Health care and medical facilities |

The nature of CSR activities undertaken by the Company.

SHARDA ISPAT LIMITED, NAGPUR

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Note 32 - Earnings Per Share (EPS)

(Rs. In Lakhs)

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Basic Earning Per Share | 14.94 | 27.52 |
| Diluted Earnings Per Share | 14.94 | 27.52 |
| 34.1 Basic EPS | | |
| The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows Profit for the year attributable to the owners of the Company. (Rs. In Lakhs) | 758.55 | 1,397.25 |
| Earnings used in the calculation of basic earnings per share | | |
| Weighted average number of equity shares for the purposes of basic earnings per share | 50,76,800 | 50,76,800 |
| Basic EPS | 14.94 | 27.52 |
| 34.2 Diluted EPS | | |
| The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows: | | |
| Earnings used in Calculation of Basic Earnings per Share (Rs. In Lakhs) | 758.55 | 1,397.25 |
| Weighted average number of equity shares for the purposes of basic earnings per share | 50,76,800 | 50,76,800 |
| Diluted EPS | 14.94 | 27.52 |

SHARDA ISPAT LIMITED, NAGPUR
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

| | (Rs. In Lakhs) | |
|--|--------------------------------|--------------------------------|
| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
| Note 33 - Post Retirement Benefit Plans | | |
| The Principal assumptions used for the purpose of the actuarial valuations were as follows, | | |
| Gratuity: | | |
| Discount Rate | 6.34% | 6.94% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Expected average remaining service | 2.33 | 2.48 |
| Service cost | | |
| Current service cost | 3.33 | 3.23 |
| Past service cost and (gain)/loss from settlement | - | - |
| Net interest expense | 2.42 | 2.50 |
| Component of define benefit cost recognised in profit or loss | 5.74 | 5.72 |
| Remeasurement on the net defined benefit liability: | | |
| Actuarial (gains) / losses arising from changes in experience adjustment | (5.33) | (4.47) |
| Actuarial (gains) / losses arising from changes in financial assumption | 0.42 | 0.12 |
| Adjustment for restriction on the defined benefit asset | - | - |
| Component of defined benefit cost recognised in other comprehensive income | (4.91) | (4.36) |
| Total | 0.83 | 1.37 |
| Amount to be recognized in the balance sheet and statement of profit & loss account | | |
| Present value of funded defined benefit obligation | 53.14 | 52.30 |
| Fair value of plan assets | - | - |
| Funded status | (53.14) | (52.30) |
| Restriction on asset recognised | - | - |
| others (describe) | - | - |
| Net liability arising from define benefit obligation | | |
| Movement in PV of defined benefit obligation | | |
| Opening define benefit obligation | 52.30 | 50.94 |
| Current service cost | 3.33 | 3.23 |
| Interest cost | 2.42 | 2.50 |
| Remesaurement (gains) / (losses): | | |
| Actuarial gains and losses arising from changes in demographic assumption | - | - |
| Actuarial (gains) and losses arising from changes in financial assumption | (5.33) | 0.12 |
| Actuarial (gains) and losses arising from changes in experience adjustment | 0.42 | (4.47) |
| Benefits paid | - | - |
| Closing define benefit obligation | 53.14 | 52.30 |
| Movements in fair value of plan assets | | |
| Opening fair value of plan assets | - | - |
| Contribution from employer | - | - |
| Benefits paid | - | - |
| Closing fair value of plan assets | - | - |
| Asset Information: | | |
| Gratuity Fund | | - |
| Expected Payout: | | |
| | PVO Payout | PVO Payout |
| Expected Outgo First Year | 37.53 | 34.88 |
| Expected Outgo Second Year | 2.72 | 5.17 |
| Expected Outgo Third Year | 2.48 | 2.43 |
| Expected Outgo Fourth Year | 2.76 | 2.22 |
| Expected Outgo Fifth Year | 1.21 | 2.45 |
| Expected Outgo Sixth to Tenth Years | 9.13 | 8.88 |

Sensitivity Analysis:

As of 31st March, 2025, every percentage point increase in discount rate will affect our gratuity benefit obligation Rs.52.45 Lakhs.

As of 31st March, 2025, every percentage point decrease in discount rate will affect our gratuity benefit obligation Rs.53.88 Lakhs.

As of 31st March, 2025, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation Rs.53.83 Lakhs.

As of 31st March, 2025, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation Rs.52.48 Lakhs.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Narrations:**1 Analysis of Defined Benefit Obligation**

The number of members under the scheme have decreased by 13.33%. The total salary has decreased by 6.06% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 1.59%.

2 Expected rate of return basis:

Scheme is not funded EORA is not applicable.

3 Description of Plan Assets and Reimbursement Conditions

Not Applicable

4 Investment / Interest Risk

Since the scheme is unfunded the Company is not exposed to Investment / Interest risk.

5 Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 Salary Escalation Rate

The salary escalation rate has remain unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in salary escalation rate.

7 Discount Rate

The discount rate has decreased from 6.94% to 6.34% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

SHARDA ISPAT LIMITED, NAGPUR.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Note 34 - Contingent Liability.

(Rs. In Lakhs)

| Particulars | | 31st March, 2025 | 31st March, 2024 |
|-------------|-----------------------------|------------------|------------------|
| a) | Central Excise Duty Matter | 19.64 | 19.64 |
| b) | Income Tax Matter | 1.53 | 1.53 |
| c) | Goods & Services Tax Matter | 64.92 | - |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025

Note 35 - Related Parties Disclosures

A. Key Management Personnel

- 1 Shri Nandkishore Sarda
- 2 Smt. Poonam Sarda

B. Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence)

- 1 Kyoto Merchandise Pvt. Ltd.
- 2 Sharda Dharamkata
- 3 Sharda Ispat Industries Ltd.
- 4 Shardashree Ispat Ltd.
- 5 Sharda Auto Industries Ltd.
- 6 Indigo Denim Pvt. Ltd.
- 7 Neo Vision Home Care Services Private Limited
- 8 Prem Agriculture & Pro. Private Limited

C Relatives of key Managerial Personnel

- 1 Smt. Ashadevi Sarda
- 2 Shri Anand Sarda

(Rs. In Lakhs)

| | Particulars | Key Management Personnel | Relatives of key Managerial Personnel | Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence) |
|---------------------------------------|---|--------------------------|---------------------------------------|--|
| 1 Directors Remuneration | | | | |
| | Nandkishore Sarda | 60.00 | - | - |
| | | (60.00) | | |
| | Poonam Sarda | 48.00 | - | - |
| | | (48.00) | | |
| 2 Rent Paid | | | | |
| | Ashadevi Sarda | - | 0.48 | - |
| | | | (0.48) | |
| | Sharda Ispat Industries Ltd. | - | - | 67.20 |
| | | | | (67.20) |
| 3 Receiving of Services | | | | |
| | Anand Sarda | - | 8.40 | - |
| | | | (8.40) | |
| 4 Sales of Material / Services | | | | |
| | Shardashree Ispat Ltd | - | - | 6.43 |
| | | | | (1.70) |
| | Sharda Auto Industries Ltd | - | - | 1,643.86 |
| | | | | (2,559.33) |
| 5 Receiving of Services | | | | |
| | Sharda Dharamkata | - | - | 1.80 |
| | | | | (1.80) |
| 6 Interest Paid | | | | |
| | Sharda Ispat Industries Ltd. | - | - | - |
| | | | | (93.31) |
| | Shardashree Ispat Ltd | - | - | 126.60 |
| | | | | - |
| 7 Interest Received | | | | |
| | Kyoto Merchandise Pvt Ltd | - | - | 248.93 |
| | | | | (136.25) |
| | Sharda Ispat Industries Ltd. | - | - | - |
| | | | | (0.72) |
| | Neo Vision Home Care Services Private Limited | - | - | 0.68 |
| | | | | (3.83) |
| 8 Purchases of Goods | | | | |
| | Shardashree Ispat Ltd | - | - | 26.83 |
| | | | | (9.60) |
| | Indigo Denim Pvt Ltd | - | - | - |
| | | | | (0.05) |
| | Sharda Auto Industries Ltd | - | - | 0.59 |

| | | | |
|---|---|---|------------|
| 9 Unsecured Loan Repaid | | | |
| Sharda Ispat Industries Ltd. | - | - | - |
| | | | (1.22) |
| Shardashree Ispat Ltd | - | - | 692.66 |
| | | | (1,359.33) |
| 10 Unsecured Loan Granted | | | |
| Kyoto Merchandise Pvt Ltd | - | - | 1,823.50 |
| | | | (4,626.25) |
| Neo Vision Home Care Services Private Limited | - | - | - |
| | | | (150.00) |
| 11 Unsecured Loan Refunded | | | |
| Kyoto Merchandise Pvt Ltd | - | - | 39.89 |
| | | | (2,666.63) |
| Sharda Ispat Industries Ltd. | - | - | - |
| | | | (13.36) |
| Neo Vision Home Care Services Private Limited | - | - | - |
| | | | (145.00) |
| 12 Unsecured Loan Received | | | |
| Shardashree Ispat Ltd | - | - | 2,401.00 |
| | | | (1,904.50) |

(Rs. In Lakhs)

| | Particulars | | |
|------------------------------------|---|-------------------------|-------------------------|
| A) | Others (Firms, Company & Proprietorship Concern in which directors and their relatives have significant influence) | 31st March, 2025 | 31st March, 2024 |
| 1 Unsecured Loan Receivable | | | |
| | Kyoto Merchandise Pvt Ltd | 4,926.68 | 2,894.15 |
| | Neo Vision Home Care Services Private Limited | 9.06 | 8.45 |
| | Sharda Ispat Industries Ltd. | - | 0.65 |
| 2 Trade Receivables | | | |
| | Sharda Auto Industries Ltd | 578.96 | 608.78 |
| | Shardashree Ispat Ltd | - | 2.01 |
| 3 Trade Payables | | | |
| | Sharda Dharamkata | 1.76 | 1.76 |
| | Sharda Ispat Industries Ltd. | 8.62 | 6.05 |
| | Shardashree Ispat Ltd | 0.15 | - |
| | Ashadevi Sharda | 0.75 | - |
| | Anand Sarda | 6.05 | - |
| 4 Unsecured Loan Payable | | | |
| | Prem Agriculture & Pro. Private Limited | 2.50 | 2.50 |
| | Shardashree Ispat Ltd | 3,346.52 | 1,514.20 |

Note:

1. The Figures in the bracket are related to Previous Year.
2. Related party identified by company and relied upon by auditor.

Note 36

DISCLOSURE PURSUANT TO REGULATION 34(3) AND PARA A OF SCHEDULE V OF SEBI (LODR), REGULATIONS, 2015.

Disclosures of the transactions with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the company

Rs. In lakhs

| Name of entities | Transaction value | Transaction Nature |
|-------------------------|-------------------|-----------------------|
| Ashadevi Sarda | 0.48 | Rent paid |
| Anand Nandkishore Sarda | 8.40 | Consultancy fees paid |

Note 37 - Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings and investment in equity oriented mutual fund.

a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

b) Foreign currency risk

The company imports certain material against Letter of Credit for which hedging instruments are not required.

c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the company's board of directors reviews and approves all equity investment decisions after taking due diligence which may affect the market related risk.

2) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade and other Receivables

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Based on the historical data and financial position of party and chances of recovery, provision has been considered and created, wherever necessary.

| Particulars | (Rs. In Lakhs) | |
|-----------------------------|---------------------------|---------------------------|
| | As at 31st March, 2025 | As at 31st March, 2024 |
| Ageing of Trade receivables | | |
| 0-30 days | 686.43 | 968.91 |
| 30-60 days | 91.52 | 265.06 |
| 60-180 days | 456.27 | 35.29 |
| More than 180 days | 0.25 | - |
| Total | 1,234.47 | 1,269.26 |

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

3) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's principal source of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that cash and cash equivalents is sufficient to meet its current requirements.

Maturity patterns of financial liabilities

| As at March 31, 2025 | | | | | (Rs. In Lakhs) |
|-----------------------|-----------------|-----------|---------------|-----------------|----------------|
| Particulars | 0-1 Years | 1-5 Years | Above 5 Years | Total | |
| Long term borrowings | - | - | - | - | - |
| Short term borrowings | 3,463.99 | - | - | 3,463.99 | |
| Trade payables | 298.49 | - | - | 298.49 | |
| Lease Liabilities | 0.72 | - | - | 0.72 | |
| | 3,763.21 | - | - | 3,763.21 | |

| As at March 31, 2024 | | | | | (Rs. In Lakhs) |
|-----------------------|-----------------|-------------|---------------|-----------------|----------------|
| Particulars | 0-1 Years | 1-5 Years | Above 5 Years | Total | |
| Long term borrowings | - | - | - | - | - |
| Short term borrowings | 2,111.88 | - | - | 2,111.88 | |
| Trade payables | 144.23 | - | - | 144.23 | |
| Lease Liabilities | 67.05 | 0.36 | - | 67.42 | |
| | 2,323.17 | 0.36 | - | 2,323.53 | |

Note 38 - IndAS 116 Leases

The Company's lease asset primarily consist of leases for buildings (premises) for factory and office premises having various lease terms.

The maturity analysis of lease liabilities are disclosed as follows,

| (Rs. In Lakhs) | | | |
|----------------------------|------------------|--------------|-------|
| Particulars | Less than 1 year | 1 to 5 years | Total |
| As at March 2025 | | | |
| Finance lease (Discounted) | 0.72 | - | 0.72 |
| As at March 2024 | | | |
| Finance lease (Discounted) | 67.05 | 0.36 | 67.42 |

The Balance sheet discloses the following amounts relating to leases:

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Right-of-use assets | | |
| Buildings | 0.59 | 59.44 |
| Lease Liabilities | | |
| Current | 0.72 | 67.05 |
| Non Current | - | 0.36 |
| Amounts recognised in statement of profit and loss: | | |
| Interest Expense included in Finance Cost | 4.88 | 12.96 |
| Depreciation charged on Right of Use Assets | 58.85 | 58.85 |
| Expense Relating to Short Term Leases/low-value assets | 0.48 | 0.82 |
| Additions to the right of use assets during the current financial year | - | - |
| Total cash outflow for leases during financial year (excluding short term leases) | 71.58 | 71.36 |

Note 39 - Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the company's management is to maximise shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the company.

Gearing Ratio

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 borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows

| (Rs. In Lakhs) | | |
|---|---------------------------|---------------------------|
| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
| Borrowings including current maturities | 3,463.99 | 2,111.88 |
| Total Debt | 3,463.99 | 2,111.88 |
| Less: Cash and cash equivalents | 132.83 | 117.50 |
| Net Debt (A) | 3,331.17 | 1,994.38 |
| Equity Share Capital | 507.68 | 507.68 |
| Other Equity | 5,407.03 | 4,660.12 |
| Total Equity (B) | 5,914.71 | 5,167.80 |
| Debt Equity Ratio (A/B) | 0.56 | 0.39 |

Net Debt Reconciliation:

| (Rs. In Lakhs) | | |
|---------------------------|---------------------------|---------------------------|
| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
| Cash and cash equivalents | 132.83 | 117.50 |
| Current borrowings | (3,463.99) | (2,111.88) |
| Net debt | (3,331.17) | (1,994.38) |

| Particulars | Other assets | Liabilities from financing activities | | | |
|--|---------------------------|---------------------------------------|------------------------------|-----------------|-------------------|
| | Cash and cash equivalents | Current borrowings | Interest on above borrowings | Lease Liability | Total |
| Net Debt as at March 31, 2024 | 117.50 | (2,111.88) | - | (67.42) | (2,061.81) |
| Cash flows | 15.33 | (1,352.11) | - | 66.69 | (1,270.08) |
| Non cash movement: Acquisitions/ disposals | - | - | - | - | - |
| Interest expense | - | - | 144.69 | 4.88 | 149.58 |
| Interest paid | - | - | (144.69) | (4.88) | (149.58) |
| Net Debt as at March 31, 2025 | 132.83 | (3,463.99) | - | (0.72) | (3,331.89) |

| Particulars | Other assets | Liabilities from financing activities | | | |
|--|---------------------------|---------------------------------------|------------------------------|-----------------|-------------------|
| | Cash and cash equivalents | Current borrowings | Interest on above borrowings | Lease Liability | Total |
| Net Debt as at March 31, 2023 | 123.22 | (1,746.53) | - | (125.82) | (1,749.13) |
| Cash flows | (5.73) | (365.35) | - | 58.40 | (312.68) |
| Non cash movement: Acquisitions/ disposals | - | - | - | - | - |
| Interest expense | - | - | 338.50 | 12.96 | 351.46 |
| Interest paid | - | - | (338.50) | (12.96) | (351.46) |
| Net Debt as at March 31, 2024 | 117.50 | (2,111.88) | - | (67.42) | (2,061.81) |

Note 40 - Fair Value measurement

(Rs. In Lakhs)

| Particulars | 31st March, 2025 | | | 31st March, 2024 | | |
|--------------------------------|------------------|----------|-----------------|------------------|--------------|-----------------|
| | FVOCI | FVTPL | Amortised Cost | FVOCI | FVTPL | Amortised Cost |
| Financial Assets | | | | | | |
| Investments | 426.13 | - | 32.63 | - | 18.11 | 32.63 |
| Trade receivables | - | - | 1,231.13 | - | - | 1,267.76 |
| Cash and cash equivalents | - | - | 132.83 | - | - | 117.50 |
| Bank balances other than above | - | - | 84.34 | - | - | 29.88 |
| Loans | - | - | 4,937.45 | - | - | 2,912.82 |
| Other financial assets | - | - | 9.16 | - | - | 62.01 |
| Total | 426.13 | - | 6,427.54 | - | 18.11 | 4,422.60 |
| Financial Liabilities | | | | | | |
| Borrowings | - | - | 3,463.99 | - | - | 2,111.88 |
| Trade payables | - | - | 298.49 | - | - | 144.23 |
| Lease Liability | - | - | 0.72 | - | - | 67.42 |
| Total | - | - | 3,763.21 | - | - | 2,323.53 |

The company has fair valued its Equity investment (through Mutual Fund) through OCI based / Profit & Loss on quoted prices of such investments in active market. Hence it falls under level 1 valuations technique.

Note 41 - Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and the audit trail has been preserved as per the statutory requirements for record retention.

SHARDA ISPAT LTD., NAGPUR

Notes forming part of the Financial Statements for the year ended 31st March, 2025

Note 42 Analytical Ratios

| Sr no. | Ratios Applicable | Formula | March 31, 2025 | March 31, 2024 | Variance (in %) | Remarks |
|--------|--|--|----------------|----------------|-----------------|---|
| 1 | Current ratio (in times) | Current assets/Current Liability | 2.35 | 2.95 | -20.17% | No major change. |
| 2 | Debt : Equity Ratio (in times) | Debt/ Equity | 0.59 | 0.41 | 43.31% | Due to increase in debt. |
| 3 | Debt Service Coverage ratio (in times) | Earnings available for debt service/Debt Service | 5.67 | 6.86 | -17.35% | No major change. |
| 4 | Return on Equity Ratio (in %) | Net Profits after taxes – Preference Dividend (if any) /Average Shareholder's Equity | 13.69 | 31.57 | -56.64% | Due to decrease in net profit after taxes. |
| 5 | Inventory Turnover ratio (in times) | Cost of goods sold OR sales / Average Inventory | 7.22 | 11.76 | -38.56% | Due to decrease in sales. |
| 6 | Trade Receivable Turnover Ratio (in times) | Net Credit Sales / Avg. Accounts Receivable | 14.04 | 18.54 | -24.26% | No major change. |
| 7 | Trade Payable Turnover Ratio (in times) | Net Credit Purchases / Average Trade Payables | 62.69 | 126.71 | -50.52% | Due to decrease in net credit purchases. |
| 8 | Net Capital T/o Ratio (in times) | Net Sales / Working Capital | 3.48 | 6.22 | -44.14% | Due to decrease in sales. |
| 9 | Net Profit Ratio (in %) | Net profit/Turnover | 4.32 | 6.15 | -29.68% | Due to decrease in net profit after taxes. |
| 10 | Return on capital employed (in %) | EBIT/Capital Employed | 12.47 | 27.68 | -54.94% | Due to decrease in EBIT. |
| 11 | Return on Investment (in %) | Net Profit/ Cost of the Investments | (6.74) | 21.80 | -130.94% | Due to decrease in profit on sale of investments. |

Note 43

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.

Note 44

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 45

Previous period figures have been restated for prior period adjustments and regrouped / reclassified wherever necessary , to make them comparable with current period figures.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For & on behalf of the Board of Directors
of Sharda Ispat Limited

Panpaliya Taori and Co.

Firm Registration No. 125508W
Chartered Accountants

(Nandkishore Sarda)
(Chairman cum Managing Director)
(DIN 00229911)

(Amit Mundada)
(Company Secretary)

CA. Ritesh Panpaliya
Partner
Membership No.115665

(Poonam Sarda)
(Whole Time Director & CFO)
(DIN 00190512)

Nagpur
Dated:- 30/05/2025

Nagpur
Dated:- 30/05/2025

SHARDA ISPAT LIMITED

CIN: L74210MH1960PLC011830

Regd. Office: Kamptee Road, Nagpur 440026
Phone No.: 0712-2640071, 0712-2245888, 0712-2245156
Email: shardaispat.ngp@gmail.com, **Website:** shardaispat.com

ATTENDANCE SLIP

I hereby record my presence at the Sixty-fourth Annual General Meeting held at Da-rock, Plot no.230, 7th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 Maharashtra on Friday, the 26th day of September, 2025 at 09.30 A.M. (IST).

| | |
|--|--|
| Name of Shareholder _____ Registered Address _____ _____ | DP ID* _____ Client ID* _____ Folio No. _____ No. of Shares _____ |
|--|--|

SIGNATURE OF THE SHAREHOLDER OR PROXY

NOTE: Please fill in this attendance slip and hand it over at the entrance of the meeting hall.

* For shares held in electronic form

Form No. MGT-11**Proxy form**

**[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3)
of the Companies (Management and Administration) Rules, 2014]**

CIN: L74210MH1960PLC011830

Name of the company: **SHARDA ISPAT LIMITED**

Registered office: Kamptee Road, Nagpur 440026 Maharashtra

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member(s) holding Shares of the above-named company, hereby appoint

1. Name: Address:.....

E-mail Id:..... Signature:..... , or failing him

2. Name: Address:.....

E-mail Id:..... Signature:..... , or failing him

3 Name: Address:.....

E-mail Id:..... Signature:..... , or failing him

as my/our proxy to attend and vote (either on poll or through E-voting) for me/us and on my/our behalf at the Sixty-fourth Annual General Meeting of the company, to be held on Friday, the 26th day of September, 2025 at 09.30 A.M. (IST), at Da-rock, Plot no. 230, 7th Floor, Hill Road, Shivaji Nagar, Nagpur-440010 Maharashtra and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

| Sl. No. | Resolutions | Type of Resolution | For | Against |
|--------------------------|---|--------------------|-----|---------|
| ORDINARY BUSINESS | | | | |
| 1. | Adoption of Financial Statements for the financial year ended March 31, 2025 along with the reports of the Board of Directors and Auditors thereon. | Ordinary | | |
| 2. | Re-appointment of Smt. Poonam Sarda (Retiring Director) as Director. | Ordinary | | |
| 3. | Re-appointment of statutory auditors | Ordinary | | |
| SPECIAL BUSINESS | | | | |
| 4. | To approve the Remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2026. | Ordinary | | |
| 5. | Appointment of Secretarial Auditors | Ordinary | | |

Signed this..... day of..... 20...

Signature of shareholder:

Signature of Proxy holder(s):

First Proxy holder

Second Proxy holder

Third Proxy holder

Notes: 1. This form of proxy to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 64th Annual General Meeting.

3. It is optional to indicate your preference (✓) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

4. Please complete all details including your membership details in above box before submission. Blank/Incomplete Proxies shall be considered as invalid.

5. A person can act as a Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such persons shall not act as a proxy for any other person or member.

6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

7. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a Member of the Company.

Route Map for the Venue of Annual General Meeting

