



एमएसटीसी लिमिटेड
(भारत सरकार का उपक्रम)
MSTC LIMITED
(A Govt. of India Enterprise)
CIN: L27320WB1964GOI026211

e-assuring
INDIA

MSTC/CS/SE/767

1st September, 2026

1. The Dy. Manager (Listing)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.
(Scrip Code: 542597)
2. The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai 400 051
(Scrip Code: MSTCLTD)

Dear Sir/Madam,

Sub: Annual Report 2025-26 of MSTC Limited

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company for the financial year 2025-26 along with the Notice of 61st Annual General Meeting (AGM) which has already been sent through electronic mode to the Members of the Company.

The Annual Report 2025-26 and the Notice of the 61st AGM is also uploaded on the Company's website at www.mstcindia.co.in.

This is for your information and records.

Thanking you,

Yours faithfully,
For MSTC Limited

(Ajay Kumar Rai)
Company Secretary & Compliance Officer



Registered Office : Plot No. CF-18/2, Street no 175, Action Area 1C
New Town, Kolkata – 700156, W.B.

Phone : 91-33-2340-0000, **Website :** www.mstcindia.co.in **Email :** cssectt@mstcindia.in

NOTICE OF 61ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the sixty-first Annual General Meeting (“AGM”) of the Members of MSTC Limited will be held on **Thursday, September 24, 2026, at 11:00 A.M.** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following businesses. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone as well as Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 together with the Reports of the Board and the Auditors thereon and comments of the Comptroller and Auditor General of India.
2. To confirm Interim dividend paid @ Rs. 7.60 per share on equity shares for the Financial Year 2025-26 and to declare final dividend @ Rs. 8.10 per share (81 %) on equity shares for the financial year 2025-26.
3. To appoint a Director in place of Shri Manobendra Ghoshal (DIN 09762368), who retires by rotation and being eligible, offer himself for re-appointment.
4. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the Financial Year 2026-27.

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

“RESOLVED THAT pursuant to Section 142 and other applicable provisions of the Companies Act, 2013 and rules made there under, the Board of Directors of the Company be and is hereby authorized to determine the amount of remuneration payable to the Statutory Auditors under Section 139(5) of the Companies Act, 2013 as and when appointed by the Comptroller and Auditor General of India, including reimbursement of out of pocket expenses, if any incurred by

the said Auditors in connection with the Audit of Accounts of the Company for the Financial year 2026-27.”

SPECIAL BUSINESS

Item No. 5: Appointment of Shri Siraiong Singpho (DIN: 11835817) as an Independent Director.

To consider and if thought fit, to pass following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1C) and Regulation 25 (2A) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company, **Shri Siraiong Singpho (DIN: 11835817)**, who was appointed as an Additional Independent Director as per the provisions of the Companies Act, 2013, and in respect of whom, the Company has received a notice in writing, from a member under section 160 proposing his candidature for the office of Independent Director, and upon recommendation of Nomination & Remuneration Committee, be and is hereby appointed as an Independent Director, not liable to retire by rotation for a period of three years with effect from **18th July, 2026** or until further orders from the Ministry of Steel, whichever is earlier and other terms and conditions as contained in order no. 1/1/2026-BLA dated 14th July, 2026.

RESOLVED FURTHER THAT functional directors of the Company be and are hereby severally authorised to issue the appointment letter to Shri Siraiong Singpho and to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

Item No. 6: Appointment of Shri Niwas Mandal (DIN: 11837616) as an Independent Director.

To consider and if thought fit, to pass following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Regulation 17 (1C) and Regulation 25 (2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company, **Shri Niwas Mandal (DIN: 11837616)**, who was appointed as an Additional Independent Director as per the provisions of the Companies Act, 2013, and in respect of whom, the Company has received a notice in writing, from a member under section 160 proposing his candidature for the office of Independent Director, and upon recommendation of Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director, not liable to retire by rotation for a period of three years with effect from **18th July, 2026** or until further orders from the Ministry of Steel, whichever is earlier and other terms and conditions as contained in order no. 1/1/2026-BLA dated 14th July, 2026.

RESOLVED FURTHER THAT functional directors of the Company be and are hereby severally authorised to issue the appointment letter to Shri Niwas Mandal and to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to the extent permitted by law, all or any of the powers herein conferred to any committee of Directors or the Managing Director or any Director(s) or any other Key Managerial Personnel or any other officer(s) of the Company.”

Place: New Delhi

Date : August 13, 2026

NOTES

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 03/2025 dated 22nd September, 2025 (“MCA Circular”) allowed companies to conduct their AGMs through VC or OAVM, till further orders in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 5th May, 2020. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circular, the AGM of the Company is being held through VC/ OAVM.

Item No. 7: To appoint Smt. Santosh (DIN: 09519383), as Govt. Nominee Director

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

“RESOLVED THAT Pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 and rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the Articles of Association of the Company and in accordance with the recommendation of the Nomination and Remuneration Committee of the Company, **Smt. Santosh (DIN: 09519383)**, Statistical Adviser, Ministry of Steel, Govt. of India, who was appointed as an Additional Director, designated as Govt. Nominee Director, by the Board of Directors and who holds office upto 61st Annual General Meeting be and is hereby appointed as Director designated as Govt. Nominee Director liable to retire by rotation with effect from **7th August, 2026** or until further orders from the administrative ministry, as contained in Order no. S-14011/1/2022-BLA dated 6th August, 2026 received from the Ministry of Steel, Government of India.”

“RESOLVED FURTHER THAT functional directors of the Company be and are hereby severally authorized to do all such acts, matter, deeds and things which are necessary and to execute all documents or writing as may be necessary, desirable or expedient to give effect to the above resolutions, including completing necessary filings with the relevant regulatory authorities regarding her appointment.”

By Order of the Board of Directors

Sd/-

(Ajay Kumar Rai)

Company Secretary & Compliance Officer

(M.No.: F5627)

2. In compliance with the aforesaid MCA Circular and Regulation 36 of the SEBI Listing Regulations, Notice of the AGM along with the Annual Report 2025-26 is being sent through electronic mode to those shareholders whose email addresses are registered with the Company/ Depositories. A letter providing the web-link, including the website address, where complete details of AGM Notice and Annual Report is available is being sent to those shareholders who have not registered their email address. Members may note that the AGM Notice and Annual Report 2025-26 will also be available on the Company's website **www.mstcindia.co.in**, websites of the Stock Exchanges i.e.

BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively, and on the website of NSDL at **www.evoting.nsdl.com**.

3. The Members can join the AGM in the VC/OAVM mode from 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned under **Note no. 33** of this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circular through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 61st AGM and hence the Proxy Form, Attendance Slip and route map for the venue of the AGM are not annexed to this Notice.
5. Corporate Members intending to nominate their authorized representative(s) pursuant to Section 113 of the Act to attend the Meeting are requested to send a scan copy of the Board Resolution/ Authority letter authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through registered email address of the member to **ps@bajajtodi.in** with a copy marked to **cssectt@mstcindia.in**, **vinod.y@bigshareonline.com** and **evoting@nsdl.com**
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Brief profile of the Director seeking appointment/re-appointment, if any, in terms of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India is annexed hereto and forms part of the Notice.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection to the members during the AGM. All documents referred to in the Notice shall also be made available for inspection by the member of the Company, without payment of fees upto the date of AGM. Members desirous of inspecting such documents may send their requests at **cssectt@mstcindia.in** from their registered e-mail address mentioning their names and folio numbers/demat account numbers.
9. Members desiring any information relating to the accounts are requested to write to the Company on or before **September 17, 2026** through email on **cssectt@mstcindia.in** so as to enable the management to keep the information ready.
10. The Register of Members and Share Transfer Books of the Company will remain closed from **September 18, 2026 to September 24, 2026 (both days inclusive)** for the purpose of Annual General Meeting.
11. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and aforesaid MCA and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
12. The Company has appointed M/s. Bajaj Todi & Associates, Practicing Company Secretaries, as Scrutinizer to scrutinize the voting process in a fair and transparent manner.
13. The business set out in the Notice will be transacted through remote electronic voting system. Instruction and other information relating to E-voting are given under **Note no. 32** of this Notice.
14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company, will be entitled to vote at the AGM.
15. The Company has fixed **September 17, 2026 as the 'Record Date'** for determining entitlement of members to receive final dividend for the financial year ended March 31,

2026. The final dividend, once approved by the members in the AGM, will be paid to the eligible shareholders within the stipulated period of 30 days of declaration. The dividend will be paid, after deduction of tax at source, through electronic mode to those members whose updated bank account details are available. **For members whose bank account details are not updated, dividend will be paid through banking channel only after updation of Bank and KYC details.**

16. Final dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid to:

a. all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) collectively "Depositories" as of close of business hours on **September 17, 2026.**

b. all members in respect of shares held in physical form after giving effect to valid transposition or transmission requests lodged with the company as of the close of business hours on **September 17, 2026.**

17. **TDS on Dividend:** Pursuant to Section 393(1) of the Income-tax Act, 2025, dividend income is fully taxable in the hands of shareholders, and the Company is required to deduct tax at source (TDS) from dividends paid to shareholders at the prescribed rates. For the prescribed statutory rates, thresholds, and rules under the unified direct tax framework, shareholders are requested to refer to the Income-tax Act, 2025 and subsequent amendments. The shareholders must update their Permanent Account Number (PAN) with the Company / Bigshare Services Pvt. Ltd. (in case of shares held in physical mode) or their respective Depository Participants (in case of shares held in demat mode). A Resident individual shareholder possessing a valid PAN whose estimated total tax liability for the year is nil can submit a yearly declaration in Form No. 121 (which replaces the old Forms 15G and 15H) to avail of the benefit of non-deduction of tax at source. This declaration must be sent via email to **cssectt@mstcindia.in** and **vinod.y@bigshareonline.com**. Shareholders are requested to note that if their PAN is not registered or linked, the tax will be deducted at a punitive higher rate of 20%. Non-resident shareholders can avail of beneficial tax rates under the Double Taxation Avoidance Agreement (DTAA) tax treaty between India and their country of residence. This is subject to providing all mandatory documents, including 1) No Permanent Establishment (PE) and Beneficial Ownership Declaration; 2) Tax Residency Certificate (TRC) issued by

their home country's government; 3) Form 10F (submitted electronically); 4) Any other document required to validate treaty benefits. These documents must be submitted by sending an email to **cssectt@mstcindia.in** and **vinod.y@bigshareonline.com**.

In the event of any income tax demand, interest, or penalty arising from any misrepresentation, inaccuracy, or omission of information provided by the Member/s, such Member/s will be solely responsible to indemnify the Company. Members must also provide the Company with all necessary information, documents, and co-operation in any subsequent appellate or assessment proceedings.

This communication is not exhaustive and does not purport to be a complete analysis of all potential tax consequences in the matter of dividend payments under the Income-tax Act, 2025. Shareholders should consult their tax advisors for the precise actions required by them.

18. **Unpaid/unclaimed dividend:** Pursuant to the provisions of the Companies Act, 2013 read with Rules made thereunder (as amended), any money transferred to the Unpaid Dividend Account of a Company which remains unpaid/unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company along with interest accrued (if any) thereon to 'Investors Education & Protection Fund' (IEPF) constituted by the Central Government. Accordingly, the Company has transferred the unclaimed dividend to IEPF which were belonging to the shareholders whose dividend were unpaid/unclaimed from the Financial Year 2017-18.

No dividends are due for transfer during the financial year 2026-27 as there were no dividend declared in the financial year 2018-19. The unclaimed dividends pertaining to the financial year 2019-20 (Final) shall be transferred to IEPF in accordance with the provisions of Companies Act.

Further, pursuant to the Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on **March 31, 2026** on its website at **www.mstcindia.co.in** and will be filled with the Ministry of Corporate Affairs.

19. **Compulsory transfer of Equity Shares to Investors Education & Protection Fund (IEPF):** Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend has not been paid or claimed for seven consecutive years has been transferred to IEPF.

20. Further, members are requested to note that in respect of dividend and shares transferred to IEPF, members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Nodal Officer of the Company at the registered office of the Company, along with the requisite documents enumerated in Form IEPF-5. Shri Ajay Kumar Rai, Company Secretary & Compliance Officer is the Nodal Officer of the company for the purpose of verification of such claims.
21. In terms of IEPF Rules, Member can file only one consolidated claim in respect of the company in a financial year.
22. Members who have not received or not encashed their dividend warrants may approach M/s. Bigshare Services Private Limited, Registrar & Share Transfer Agent of the Company, or Secretarial Department of the Company for obtaining the same.
23. Bonus shares have been issued by the company on January 11, 2019 to those Shareholders holding shares in demat mode only and shares belonging to those shareholders who held shares in physical mode were kept in a separate account known as **"MSTC Limited Unclaimed Suspense Account"**. All Shareholders holding shares in physical mode are requested to convert their shares immediately from physical to demat mode and claim the bonus shares from the company.
24. Members may avail the facility of nomination in terms of Section 72 of the Act by nominating any person to whom their shares in the Company shall vest on occurrence of events stated in Form SH-13. Form SH-13 is to be submitted in duplicate to M/s. Bigshare Services Private Limited, RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participant.
25. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to Bigshare Services Private Limited, the Registrar and Share Transfer Agent of the company if shares are held in physical form or to the respective Depository Participants if shares are held in electronic form.
26. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities vide its 'Master Circular for Registrars to an Issue and Share Transfer Agents' dated May 07, 2024. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA, Bigshare Services Private Limited, at vinod.y@bigshareonline.com. The forms for updating the same are available at <https://www.mstcindia.co.in/cms/Investor/Investor-Service-Related-Form.pdf>.

Members holding shares in electronic form are requested to submit their PAN, KYC, Bank details and nomination details to their Depository Participant with whom they are maintaining their demat accounts.

In compliance with SEBI guidelines, the Company had sent communication intimating about the submission of above details to all the Members holding shares in physical form.
27. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition and re-lodged transfers of securities. In view of the same, Members are advised to dematerialize shares held by them in physical form. SEBI vide its circular dated September 07, 2020 had fixed March 31, 2021 as cut-off date for re-lodgement of transfer deed.
28. The Company has opted for dematerialization of shares. MSTC shares have been dematerialized with NSDL and CDSL bearing ISIN INE255X01014. Members holding shares in physical form are requested to dematerialize the same immediately.
29. Members holding shares in the same name or in the same order of names but in several folios are requested to consolidate them into one folio.
30. Non-resident Indian Members are requested to inform Company's Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited, immediately of :

(a) Change in their residential status on return to India for permanent settlement.
(b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
31. To Support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register the same with the company's Registrar and Share Transfer Agent/ Depository Participants for receiving all communication including Annual Reports, Notices, Circulars etc. from the Company electronically. A Public notice regarding providing the email ids and other details has already been uploaded on the Company's Website www.mstcindia.co.in.

32. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND E-VOTING ON THE DAY OF THE AGM ARE AS FOLLOWS:-

The remote e-voting period begins on Sunday, September 20, 2026 at 9:00 A.M. and ends on Wednesday, September 23, 2026 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 17, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

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:

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.	- 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 site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - 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 or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular 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.

Type of shareholders	Login Method
	NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 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 No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the 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 or joining virtual meeting & voting during the meeting.
--	--

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your **User ID** details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 140784 then user ID is 140784001***

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 and join General Meeting on NSDL e-Voting system.

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

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

General Guidelines for shareholders

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

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

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

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

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

on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at **cssectt@mstcindia.in** latest by **5.00 p.m. (IST) on Thursday, September 17, 2026**.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at **cssectt@mstcindia.in** latest by **5.00 p.m. (IST) on Thursday, September 17, 2026**. The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number

of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, DVP, NSDL at evoting@nsdl.com or call on.: **022-4886 7000**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013

Item No. 5 & 6: To appoint Shri Siraiong Singpho (DIN: 11835817) and Shri Niwas Mandal (DIN: 11837616), as an Independent Directors

The Board Level Appointment cell (BLA cell) of Ministry of Steel vide order no. 1/1/2026-BLA dated 14th July, 2026, appointed Shri Siraiong Singpho (DIN: 11835817) and Shri Niwas Mandal (DIN: 11837616) as Non-Official Independent Directors on the Board of MSTC Limited for a period of three years with effect from the date of their appointment or till further orders whichever is earlier.

The Board of Directors through Resolution by circulation dated 23rd July, 2026 appointed Shri Siraiong Singpho and Shri Niwas Mandal as an Additional Non official Independent Directors, not liable to retire by rotation, with effect from 18th July, 2026.

Appointment of Shri Siraiong Singpho and Shri Niwas Mandal has also been recommended by the Nomination and Remuneration Committee of the Company. The Company has received from them necessary declarations and intimations in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 as well as declaration under section 149 of the Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further in compliance of SEBI (LODR) Regulation, 2015 as amended from time to time, consent of shareholders are being sought by way of special resolution for the appointment of Shri Siraiong Singpho and Shri Niwas Mandal as an Independent Directors of the Company in terms of the orders received from the administrative ministry.

Brief resume and additional information in respect of Shri Siraiong Singpho and Shri Niwas Mandal

pursuant to the Listing Regulations and the Secretarial Standard on General Meetings, forms part of this notice.

In the opinion of the Nomination and Remuneration Committee and the Board Shri Siraiong Singpho and Shri Niwas Mandal fulfil the conditions specified in the Act & the Rules thereunder and the Listing Regulations for appointment as an Independent Director, and they are independent of the management of the Company. The Nomination and Remuneration Committee and the Board are of the view that the association of Shri Siraiong Singpho and Shri Niwas Mandal and the rich experience & vast knowledge they bring with them would benefit the Company; they also possesses appropriate skills, expertise and competencies in the context of the Company's businesses.

The Board recommends the Special Resolutions as set out in Item No. 5 & 6 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Shri Siraiong Singpho and Shri Niwas Mandal to whom the resolutions relates, are concerned or interested, in the Resolutions set out in Item No. 5 & 6 of this Notice.

Item No. 7: To appoint Smt. Santosh (DIN: 09519383), as Govt. Nominee Director

The Administrative Ministry vide its Order No. S-14011/1/2022-BLA dated 6th August, 2026 has appointed Smt. Santosh (DIN: 09519383), Statistical Adviser, Ministry of Steel, Government of India as Govt. Nominee Director with immediate effect until further orders. The Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Company had appointed her as an additional director designated as Govt. Nominee Director liable to retire by rotation with effect from 7th August, 2026 or until further orders from the administrative ministry.

The Company has received requisite details of Smt. Santosh in Form No. DIR-2, DIR-8 and other disclosures

confirming that she is eligible to be appointed as Director as prescribed under the Companies (Appointment and Qualification of Directors) Rules, 2014.

Being appointed as Additional director, she holds office upto 61st Annual General Meeting. In compliance with Section 152, 161, other applicable provisions of the Companies Act, 2013 and rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 consent of shareholders are being sought by way of ordinary resolution for the appointment of Smt.. Santosh as Director

designated as Govt. Nominee Director in terms of the orders received from the administrative ministry.

Brief resume and additional information in respect of Smt. Santosh pursuant to the Listing Regulations and the Secretarial Standard on General Meetings, forms part of this notice.

The Board recommends the Ordinary Resolutions as set out in Item No. 7 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Smt. Santosh to whom the resolution relates, are concerned or interested, in the Resolutions set out in Item No. 7 of this Notice.

**Brief Profile and information in respect of Directors seeking appointment/
re-appointment in the 61st AGM**

Particulars	Shri Manobendra Ghoshal (Re-appointment of Director retiring by rotation)	Shri Siraiong Singpho	Shri Niwas Mandal	Smt. Santosh
DIN	09762368	11835817	11837616	09519383
Designation and Category of Director	Chairman and Managing Director	Independent Director – Non Executive	Independent Director – Non-Executive	Govt. Nominee Director – Non-
Date of Birth and Age	07/03/1968 58 Years	17/07/1979 47 Years	18/01/1968 58 Years	28/07/1975 51 Years
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the Board	01/01/2024	18/07/2026	18/07/2026	07/08/2026
Qualification	Bachelor of Engineering (B.E.), Fellow of the Institution of Engineers (India)	Bachelor of Arts from Delhi University	B.A. L.L.B	M.Sc (Statistics) She is an officer of Indian Statistical Services
Expertise and Experience	Shri Manobendra Ghoshal (DIN 09762368) has assumed the charge as Chairman and Managing Director of MSTC Limited on 1st January, 2024.	Shri Siraiong Singpho is Businessman and a renowned Social Activist from Miao District of Arunachal Pradesh	Shri Niwas Mandal has completed his graduation in Arts and has also done his LLB. He is an Advocate by profession having	Smt. Santosh, Statistical Adviser, Ministry of Steel, Government of India belongs to an officer of Indian Statistical Services (ISS) of 1999

	Shri Manobendra Ghoshal is a distinguished professional from the Indian Railways Service of Mechanical Engineers (SCRA 1985 batch) and a Fellow of the Institution of Engineers (India), has over 33 years of comprehensive expertise in the railways sector. He has held various leadership positions, showcasing exceptional strategic vision and operational acumen. Shri Ghoshal's academic foundation includes a Bachelor of Engineering degree from the Institution of Engineers of India (IEI), Kolkata. He spearheaded the exports of trainsets, coaches and locomotives to Sri Lanka from 2016 onwards, securing orders of over 200 million USD and subsequent execution.	having experience as former advisory member in State wildlife board and former member of Namdapha Tiger Project Foundation. He has done his graduation i.e., Bachelor of Arts from Delhi University.	experience of around 30 years in various Civil and Criminal domains. He is also a renowned Social Worker and is having a vast experience of working at grassroot level for the development of backward classes of the society.	batch, with over 25 years of experience in public administration. She is a Post Graduate with M.Sc. (Statistics). She joined NITI Aayog (the then Planning Commission) in July, 2001. Her rich and diverse experience includes position held as Deputy Director General, Ministry of Coal, Govt. of India, various positions in her cadre and other central ministries. Smt. Santosh has served as Director on the Board of Central Coalfields Limited, Eastern Coalfields Limited and Singareni Collieries Company Limited as well.
Shareholding in the Company (including shareholding as a beneficial owner)	Nil	Nil	Nil	Nil
Directorships held in other companies	Mahindra MSTC Recycling Private Limited	Nil	Nil	Nil

Committee Membership/ Chairmanship in other Companies	Nil	Nil	Nil	Nil
Chairman or membership of Board committees in MSTC Ltd.	Nil	Member of Audit Committee and CSR Committee	Chairman of Nomination and Remuneration Committee and Member of CSR Committee	Member of Audit Committee, Nomination and Remuneration Committee, CSR Committee and Risk Management Committee
No. of Board meetings attended during the FY 2025-26	6 (Six)	NA	NA	NA
Relationship with Directors, Manager and other KMPs of the Company	None	None	None	None

By Order of the Board of Directors

Sd/-

(Ajay Kumar Rai)

Company Secretary & Compliance Officer

(M.No.: F5627)

Place: New Delhi
Date : August 13, 2026



Annual Report

2025-26



एम एस टी सी
भारत सरकार का उपक्रम
MSTC Limited
A Government of India Enterprise

CIN: L27320WB1964GO1026211



Shri H. D. Kumaraswamy

Hon'ble Minister of
Steel and Heavy Industries



Shri Bhupathiraju Srinivasa Varma

Hon'ble Minister of State for
Steel and Heavy Industries



Shri Sandeep Poundrik

Secretary
Ministry of Steel

CONTENTS

CORPORATE OVERVIEW

Board of Directors	02
Management Team	04
Corporate Information	06
Corporate Profile	07
Our Operational Footprint	08
Our Flagship Projects	09
Gallery of Events	12
Message from the CMD	20
Performance Highlights	24

STATUTORY REPORTS

Management Discussion and Analysis	26
Board's Report	33
Corporate Governance Report	47
Business Responsibility and Sustainability Report	69
Annual Report on CSR	109
Secretarial Audit Report	114
Management Replies to the Comments/Observations of the Statutory Auditors	117
Form AOC-1	118

02-24

FINANCIAL STATEMENTS

119-236

Standalone Financial Statements

Independent Auditor's Report	120
Comments of the CAG	134
Management Reply to CAG Comments	136
Balance Sheet	140
Statement of Profit and Loss	141
Statement of Changes in Equity	142
Statement of Cash Flows	143
Notes on Financial Statements	144

Consolidated Financial Statements

Independent Auditor's Report	180
Comments of the CAG	190
Management Reply to CAG Comments	192
Balance Sheet	196
Statement of Profit and Loss	197
Statement of Changes in Equity	198
Statement of Cash Flows	199
Notes on Financial Statements	200



BOARD OF DIRECTORS



Shri Manobendra Ghoshal
Chairman and
Managing Director



Smt. Bhanu Kumar
Director (Commercial)



Shri Subrata Sarkar
Director (Finance)
and CFO

BOARD OF DIRECTORS



Smt. Alka Chandrakar
Independent Director
(w.e.f 29.05.2025)



Shri Chandra Shekhar Baghel
Independent Director
(w.e.f 29.05.2025)

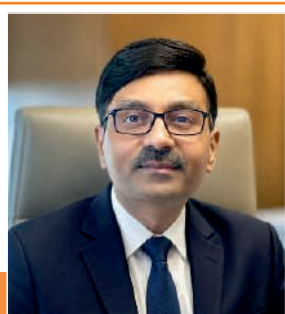


Shri Ramesh Kumar Soni
Independent Director
(upto 14.04.2026)



Smt. Sudershan Mendiratta
Govt. Nominee Director
(w.e.f 12.06.2025)

MANAGEMENT TEAM



Shri Amit Kumar Gupta

Chief Vigilance Officer
(w.e.f. 16.12.2025)



Shri Satish Kumar

Chief Vigilance Officer
(upto 15.12.2025)



Smt. Renuka Verma

Chief General Manager
(Personnel & Administration)



Shri Suchit Kumar Barnwal

Chief General Manager
(Finance & Accounts)



Shri Surya Kant

General Manager
(Corporate Planning, Corporate
Communications, Official Language)



Shri Mayank Pandey

General Manager
(Systems)

MANAGEMENT TEAM



Shri Sanjib Poddar
General Manager
(Operations)



Shri Arnab Mahalanabis
General Manager
(Coordination)



Shri Ajay Kumar Rai
Company Secretary &
Compliance Officer

CORPORATE INFORMATION

Corporate Identification No. – L27320WB1964G0I026211

BANKERS

Axis Bank
Bank of Baroda
Bank of India
Canara Bank
HDFC Bank
Indian Bank
IndusInd Bank
Punjab National Bank
State Bank of India
Union Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Bigshare Services Private Limited

S6-2, 6th Floor, Pinnacle Business Park,
Near Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai- 400 093
Tel: 022 6263 8200

E-mail: investor@bigshareonline.com

Investor Grievances:

www.bigshareonline.com/Investorlogin.aspx

Website: www.bigshareonline.com

AUDITORS

M/s. S. Guha & Associates
Chartered Accountants

SECRETARIAL AUDITORS

M/s. S. Basu & Associates
Practicing Company Secretary

REGISTERED OFFICE

Plot no. CF 18/2, Street No.175,
Action Area 1C, New Town,
Kolkata – 700156
Phone: 033-2340-0000

CORPORATE OFFICE

J-500, Tower J, Fifth Floor,
World Trade Centre, Nauroji Nagar,
New Delhi – 110029
Phone: 011- 6526-3000

Email: mstcindia@mstcindia.in | Website: www.mstcindia.co.in, www.mstcecommerce.com



CORPORATE PROFILE

BRIEF ABOUT COMPANY

MSTC Limited, a Category-I Mini Ratna company under the administrative control of the Ministry of Steel, Government of India, is one of the leading CPSE engaged in providing e-commerce related services across diversified industry segment offering e-auction/e-sale, e-procurement services and development of customized software/solutions. The company has emerged as a pioneer in the e-auction segment catering to the Public as well as Private Sector, partnering with different Government agencies and Ministries in conducting e-Auctions. MSTC is one of the key players offering a comprehensive range of services in the e-procurement segment.

Incorporated in 1964, MSTC in its 61 years of journey has transformed itself from a small canalized agency to a large multi-product diversified company. MSTC has substantially enhanced its shareholder's wealth over the period of time through dividend pay outs and bonus issues.

MSTC also facilitates recycling of scrap for industrial use and thereby reduces input cost, conserve energy and natural resources and ultimately protects the environment. The company is committed to ethical business principles, e-governance, transparency and fairness in all its business activities.

VISION



- To be the global market leader in e-commerce domain.
- To emerge as a dominant player in secured and transparent trading.
- Creating value from waste resources through sustainable and eco-friendly recycling.

MISSION

- To ensure transparency and better price discovery through extensive use of e-commerce.
- To ensure hassle-free and fair e-commerce enabled trading.
- To promote sustainable and eco-friendly recycling.
- To strive for continuous innovation to deliver desired value to our stakeholders.
- To penetrate and expand the markets we handle and enhance the value of services we render on sustained basis.



OBJECTIVES

- To increase India's share in global cross border trade by facilitating reliable e-commerce enabled trading.
- To improve customer experience and make a significant positive impact on customers' satisfaction by providing prompt and efficient services to business associates, driving improved loyalty to its business.
- To provide a secure and transparent e-commerce platform enabling better price discovery and meet the transactional requirements of Indian and cross border public and private sector enterprises.
- To develop and maintain a competent, dedicated and motivated workforce.
- To enter into joint ventures with enterprises offering synergy in the area of metal and e-waste recycling, prospective business on e-commerce platform.
- To undertake these activities so as to ensure an optimum return on capital employed and to attain a return of 15% on the net worth.
- To build demand and increase supply of recycled metal and e-waste commodities in the country by investing in recycling capacity building and providing a transparent platform for organized disposal of scrap.

OUR OPERATIONAL FOOTPRINT

Our operational footprint spread across the country almost in every state. All offices provide a strategic and geographical advantage in serving our principals and to cater national market with a strong competitive edge.



REGISTERED OFFICE

Kolkata



CORPORATE OFFICE

New Delhi



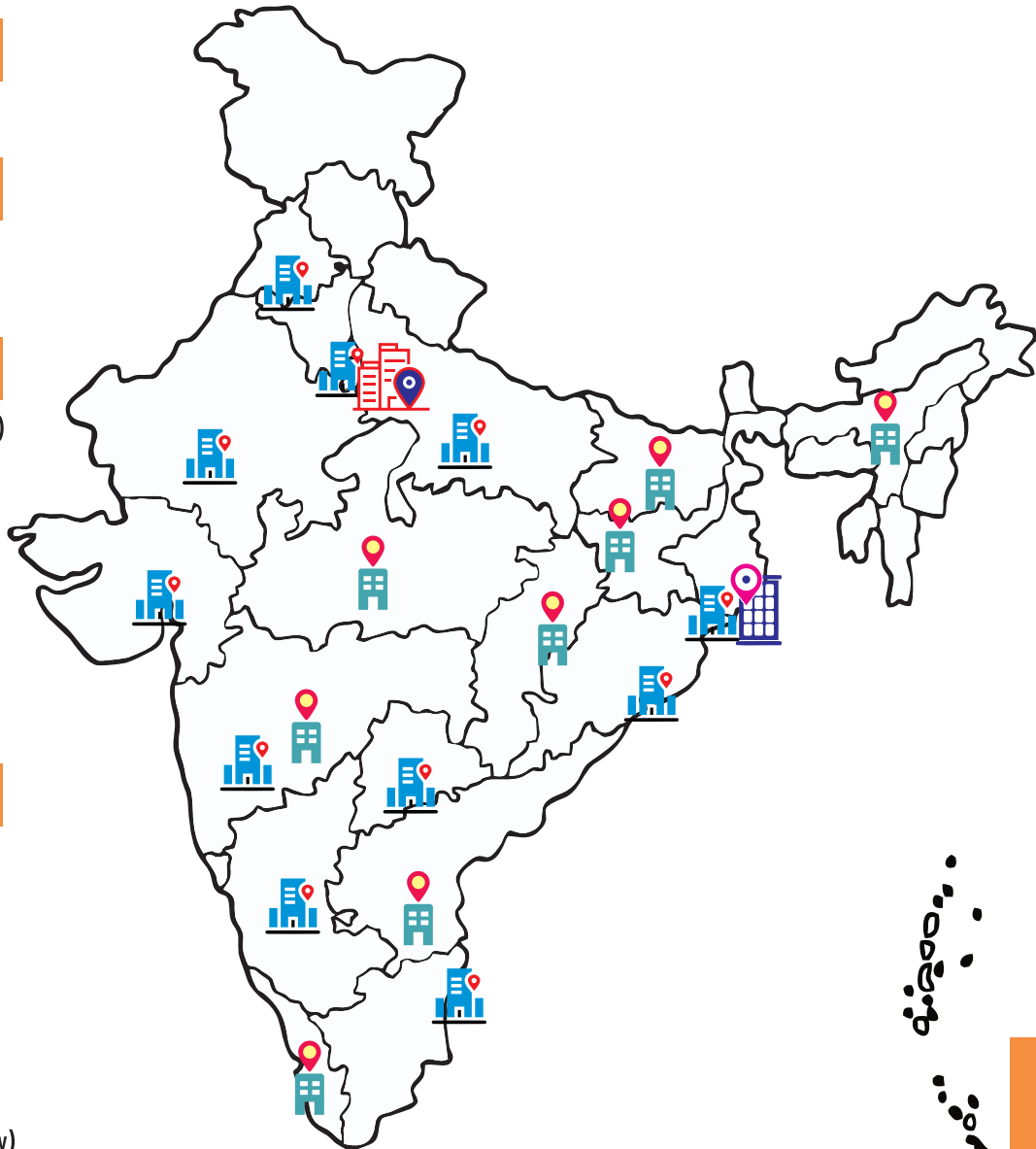
BRANCH OFFICES

- 📍 Madhya Pradesh Branch Office (Bhopal)
- 📍 North East Branch Office (Guwahati)
- 📍 Nagpur Branch Office
- 📍 Bihar Branch Office (Patna)
- 📍 Chhattisgarh Branch Office (Raipur)
- 📍 Jharkhand Branch Office (Ranchi)
- 📍 Kerala Branch Office (Trivandrum)
- 📍 Andhra Pradesh Branch Office (Vizag)



REGIONAL OFFICES

- 📍 Eastern Regional Office at Kolkata
- 📍 Western Regional Office at Mumbai
- 📍 Southern Regional Office at Chennai
- 📍 Northern Regional Office at New Delhi
- 📍 Karnataka Regional Office (Bangalore)
- 📍 Gujarat Regional Office (Vadodara)
- 📍 Telangana Regional Office (Hyderabad)
- 📍 Uttar Pradesh Regional Office (Lucknow)
- 📍 Odisha Regional Office (Bhubaneswar)
- 📍 Rajasthan Regional Office (Jaipur)
- 📍 Chandigarh Regional Office



OUR FLAGSHIP PROJECTS

SPECTRUM



On behalf of the Department of Telecommunication, an auction portal for allocation of 4G and 5G Spectrum was developed.

UDAN



Developed portal for regional connectivity scheme of ministry of civil aviation.

DEEP



(Discovery of Efficient Electricity Price) e-bidding & reverse auction portal developed for power procurement by DISCOM on Short/Medium/Long Term on behalf of Ministry of Power

e-RaKAM



Developed an e-platform for farmers to sell agricultural produce on pan India basis. The portal is a joint initiative by MSTC and Central Railside Warehouse Company Ltd

OUR FLAGSHIP PROJECTS

MSTC Realty



MSTC has launched portal for Auction of NPA properties of Banks including Cooperative Banks, Private Sector Banks to aggregate their NPA disposal through auction.

COAL e-auction



e-bidding platform developed for allocation of coal linkages for non-regulated sectors by CIL/SCCL

SCRAP AUCTION



MSTC conducts e-auction for sale of scraps, old plant and machineries, shredded scrap of ELVs etc.

SHAKTI



(Scheme for Harnessing and Allocating Koyala) MSTC provided a tailor-made software solution for execution of the scheme online for allocation of coal linkage for regulated sector.

OUR FLAGSHIP PROJECTS

JAIVIK KHETI



Developed and launched the portal for organic farm produce to provide pan India direct market access to organic farmers on behalf of Ministry of Agriculture, Govt. of India.

ITD Portal for Petroleum Products



MSTC developed an online portal for Integrated Trading Desk (ITD) for Export Import of petroleum products for ONGC Group.

Auction Portal for CEPI



An auction portal has been developed on behalf of CEPI (Custodian of Enemy Property for India) for auctioning Enemy Properties.

RECYCLING



MSTC through its JV Mahindra MSTC Recycling Private Limited forayed into the recycling of ELVs and White goods by converting these into shredded scrap.

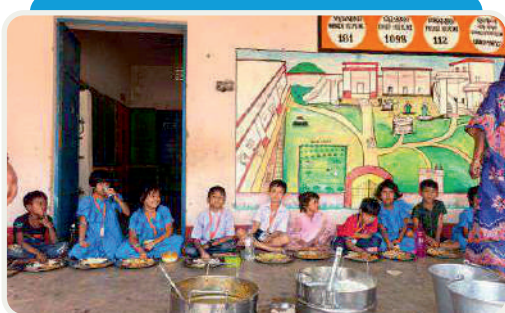
GALLERY OF EVENTS

Inauguration of Corporate Office



Inauguration of MSTC's new Corporate Office at New Delhi by
Shri H. D. Kumaraswamy,
Hon'ble Minister of Steel, Heavy Industries and Public Enterprises of India
in presence of Shri Sandeep Poundrik,
Secretary (Steel), CMD, Director (Commercial) and other officials of MSTC

Corporate Social Responsibility



Mid-day meals to students through
Akshaya Patra at Nayagarh and
Bhubaneswar District of Odisha



Donation of medical equipment to Institute of Child Health
at Kolkata, West Bengal



GALLERY OF EVENTS

Corporate Social Responsibility



Installation of eye care equipment to
Kalyanam Karoti at Mathura, Uttar Pradesh



Installation of 100 Desktop Computers
at 20 Govt. Girls' High Schools
at Khordha, Odisha



Installation of eye care equipment in
Sankar Foundation Eye Hospital at
Vishakhapatnam, Andhra Pradesh



Purchase of eye care equipment to Medical
Research Foundation (Sankara Nethralaya) at
North 24 Parganas, West Bengal



Installation of Smart Classrooms
at 10 Upper Primary
Schools of Raygada, Odisha



Installation of medical equipment to
Sridham Mayapur Hospital at Nadia, West Bengal



GALLERY OF EVENTS

Corporate Social Responsibility



Installation of advanced diagnostic and dental equipment in Swami Vivekananda Medical Mission at Wayanad, Kerala

Tree Plantation



CMD, Director (Commercial) and Director (Finance) planting tree sapling on the occasion of Tree Plantation Drive

GALLERY OF EVENTS

Swachhta Pakhwada



"Swachhta Hi Seva" awareness campaign by CMD, Director (Commercial), Director (Finance) and other officials of MSTC



Swachhata Pakhwada in presence of CMD, Director (Commercial), Director (Finance), CVO and other officials



Cleanliness Drive on the occasion of "Swachhata Pakhwada" by Director (Commercial), Director (Finance) and other officials

Annual General Meeting



CMD replying to shareholder's comments in presence of Director (Commercial), Director (Finance), Company Secretary and other shareholders



Company Secretary Team during MSTC 60th Annual General Meeting of the Company

GALLERY OF EVENTS

Vigilance Awareness Programs



Vigilance Awareness Week at MSTC



'Fit India Freedom Run'



Officials of MSTC reading out Integrity Pledge on the occasion of Vigilance Awareness Week

Rajbhasha Programs



Regional Manager and Official Language Coordinator, Telangana Regional Office receiving first prize from NARAKAS (Undertaking), Hyderabad.



Branch Manager and Official Language Coordinator of Andhra Pradesh Branch Office receiving the third prize from NARAKAS (Undertaking), Vizag.



Branch Manager and Official Language Coordinator of Odisha Regional Office receiving the third prize from NARAKAS (Undertaking), Bhubaneswar.

GALLERY OF EVENTS

Rajbhasha Programs



Branch Manager and Official Language Coordinator, Kerala Branch Office, receiving the third prize from NARAKAS (Undertaking), Trivandrum.



CMD, Director (Finance), Regional Manager and other employees of Odisha Regional Office during the inspection of Parliamentary Official Language Committee



Regional Manager and Official Language Coordinator, Gujarat Regional Office, receiving first prize from NARAKAS (Undertaking), Vadodara.



Branch Manager & Official Language Coordinator of Jharkhand Branch Office receiving the 2nd Official Language Regional Award of Eastern Region from Hon'ble, Minister of State Shri Bandi Sanjay Kumar

Yoga Day



Employees of MSTC on the occasion of Yoga Day

GALLERY OF EVENTS

Annual Picnic



Employees of the Company during MSTC Annual Picnic

Annual Sports



CMD handing over prizes to employees during MSTC Annual Sports



Winning team of MSTC Annual Sports Football Match

Annual Business Meet



Director (Commercial) inaugurating Annual Business Meet of the Company

GALLERY OF EVENTS

Other Events



CMD, Director (Commercial),
Director (Finance) at MSTC Stall
at FICCI 2025, Mumbai



CMD, MSTC with CMD's and Dignitaries of
other CPSEs during Industry 4.0
at Guwahati



CMD at Kerala Branch Office on the
occasion of signing of Agreement with
the Directorate of Mining & Geology,
Government of Kerala, for conducting e-
auction of Major Minerals



Hon'ble Minister of Commerce and
Industry,
Shri Piyush Goyal
was greeted by CMD, MSTC during a
meeting on e-governance services
for DGFT



Signing of MoU between MSTC
and
HIL (India) Limited



CMD, met Shri Ajay Bhadoo, Additional
Secretary & Director General DGFT,
regarding quota administration work
through MSTC's portal

Message from the CMD

“MSTC continues to chart an ambitious growth trajectory, leveraging its core strengths in digital commerce, resource auctioning, and strategic platform development. The Company's future strategy is firmly anchored in key national priorities - digital transformation, sustainability, innovation, and circular economy promotion.”

Shri Manobendra Ghoshal

Chairman and Managing Director



Message from the CMD

Dear Shareholders,

It gives me immense pleasure to present to you, the 61st Annual Report and financial statements of your Company for the year ended 31st March, 2026. I extend my heartfelt gratitude for your steadfast faith and continued support. I am proud to report that despite a year marked by complex global macroeconomic crosscurrents, your Company has delivered strong operational and financial performance for the Financial Year 2025-26.

A Buoyant Domestic Economy Amidst Global Realignment

Our performance this fiscal year is deeply intertwined with the remarkable structural evolution and strength of the Indian economy. In FY 2025-26, India solidified its position as a fast growing major economy, achieving a robust GDP growth rate of approximately 7.4% to 7.6%, higher than the 6.5% recorded during the previous fiscal. Driven by a major revival in private investment and sustained public capital expenditure domestic demand proved to be an engine for growth.

In contrast, the global economy has grappled with persistent structural realignments, high tariff rates, and shifting supply corridors due to geopolitical conflicts in the Middle East and Eastern Europe. In this environment, where technological acceleration intersects with geopolitical fragmentation, MSTC has strategically leveraged India's growing Digital Public Infrastructure (DPI) and the national mandate for a sustainable circular economy to maximize shareholder value.

Financial Resiliency and Landmark Performance

I am pleased to announce that MSTC achieved a four-year revenue high in FY 2025-26, demonstrating high scalability and the strength of our refined corporate strategy. Our standalone financial results highlight a profitable, capital-efficient, and optimized business model:

Key Standalone Financial Benchmarks (FY 2025-26):

- **Revenue from Operations:** Reached ₹369.66 crores, a significant milestone marking the highest operational revenue in the last four fiscal years.
- **Total Standalone Revenue:** Stood at ₹453.04 crores, compared to ₹387.50 crores in the previous financial year.
- **EBITDA:** Increased by 18.25% to ₹307.49 crores from ₹260.04 crores in the previous financial year, maintaining a healthy profitability margin despite severe competition.
- **Profit Before Tax (PBT) Before Exceptional Items:** Reached ₹295.69 crores, a growth of 22.84% over the ₹240.71 crores recorded last year.
- **Profit After Tax (PAT) Without Exceptional Items:** Surged by approximately 23% to ₹221.69 crores, up from ₹180.13 crores in FY 2024-25.
- **Gross Transactional Value:** Our digital platforms seamlessly processed a staggering total value of ₹797.37 billion of merchandise.

On a consolidated basis, the Company tracked a similar positive trajectory, with Net Profit After Tax before exceptional items, rising from ₹183.19 crores to ₹218.43 crores. Our focus on geographic supply optimization and structural streamlining in our 50:50 joint venture Mahindra MSTC Recycling Private Limited (MMRPL) has given favourable results. Consequently, our share of JV loss narrowed significantly to ₹4.70 crores from ₹5.97 crores, with a sharp sequential contraction in losses observed during the fourth quarter.



Message from the CMD

Strategic Transformation:

Transitioning to an E-Commerce Leader

Over the past two fiscal years, your management has aggressively pursued structural consolidation. We have clearly identified our high-yielding core competencies and actively trimmed non-core, lower-margin activities. Following the strategic disinvestment of FSNL at the end of the last fiscal year, we have taken a definitive policy decision to completely exit our erstwhile marketing and trading business vertical, as well.

Historically, the trading division acted as a procurement facilitator backed by a 110% bank guarantee security. In FY 2025-26, this tapering segment accounted for only 0.19% of our business volume (₹154.97 crores) and brought in ₹25.47 crores to operational income. By the first half of the ongoing financial year (FY2026-27), MSTC will completely eliminate this vertical, making your Company a high-margin e-commerce enterprise centered on advanced electronic marketplace platforms.

Core Business Verticals and Operational Highlights

The e-commerce business remains the central pillar of our identity, contributing an overwhelming 99.81% to total business volume and 93.11% to operations revenue (amounting to ₹321.29 crores from e-auctions and ₹8.43 crores from e-procurement).

Our core operational successes this year include:

- **Resource and Mineral Auctions:** MSTC successfully executed the auctioning of 10 major coal mine blocks and over 200 major mineral blocks pan India. Furthermore, we expanded our mineral sales footprint through major transactions in iron ore, pellets, slimes and chrome ore.
- **Coal Linkage auctions:** Secured a prestigious order through competitive open bidding for coal linkage auctions on behalf of Coal India Limited.
- **Private sector Client Expansion:** Solidified our presence in the private corporate scrap disposal sector, executing transactions for industrial giants like Reliance Industries, Vedanta, Tata Power, Indus Towers, L&T, Raymonds, Jindal Power, Nayara Energy, and Arcelor Mittal Nippon Steel.
- **V3 Enterprise Solution:** Our flagship, STQC-certified e-procurement system was significantly enhanced with multi-currency bidding, linked workflows, Quality and Cost-Based Selection (QCBS) modules, and online pre-bid meets, setting a global industry benchmark.
- **Corporate office:** During the financial year your company has established a corporate office in New Delhi, which has significantly improved proximity to key stakeholders,

significantly enhancing business development functionality of your company.

Pioneering the Green and Circular Economy

As the nation accelerates toward environmental accountability, MSTC has positioned itself as India's premier gateway for green economy. We are the nominated national nodal agency responsible for channelizing the sale of all End-of-Life Vehicles (ELVs) from government departments to Registered Vehicle Scrapping Facilities (RVSFs). Through MMRPL, which operates 6 high-tech RVSFs across Kalyan, Chennai, Indore, Ahmedabad, Guwahati, and Bengaluru, supported by a pan-India network of 45 collection centers and strategic alliances with leading automotive OEMs, MSTC is a part of India's emerging circular and green economy.

Your Company has developed a specialized Electronic Trading Platform (ETP) for the trading of Extended Producer Responsibility (EPR) certificates under the regulatory mandate of the Central Pollution Control Board (CPCB). Having successfully cleared all security audits and bank integrations, the project is awaiting public launch upon final approvals from MOEFCC and CPCB. This pioneering digital exchange will kickstart new business vertical for trading EPR certificates, as well as open up further such avenues in the future.

Future Outlook: Expanding Horizons through Innovation

Looking ahead, we are expanding our digital product pipeline into scalable SaaS and platform-based offerings. Under advanced stages of development is "MSTC Smart Travel"—a comprehensive B2B travel and logistics portal catering to government and enterprise employees.

Our alliance with SBI Capital Markets Limited via a comprehensive Memorandum of Understanding (MoU) empowers us to offer a combined boutique of transaction advisory and e-auction solutions, positioning us as an end-to-end realization partner for CPSEs and private entities undergoing asset monetization. We are also continuously deploying data analytics and exploring Artificial Intelligence (AI) across our portals to enhance price discovery, automated evaluation, and vendor risk mitigation.

As we step into a digital-first, sustainable tomorrow, MSTC stands uniquely positioned to lead India's transparent, self-reliant commercial future.

Threats

- **GeM Portal:** With the Govt.'s mandate to use the GeM Portal for purchases, business in e-procurement of common goods and services will get impacted. The scope of work in e-



Message from the CMD

procurement may, therefore, get downsized, as major percentage of any company's business is spent on procurement of goods and services.

- **Trading Business:** As a policy matter, MSTC has decided to taper down this business due to the inherent risks involved.
- **Cyber Attacks:** Risks of cyber-attacks are forever a threat on account of their fast-evolving nature. In addition to impact on business operations, a security breach could result in reputational damage, penalties and legal and financial liabilities.
- **Business Model:** Technologies are changing the customers approach, creating new classes of customers and thus creating a challenge for the organisation to keep its business models updated, and continuously develop different models to suit customer need.

Corporate Social Responsibility

During the financial year your company has spent around ₹ 7.35 crores on CSR activities related to Health and Education sector in various parts of the country viz Andhra Pradesh, Kerala, Odisha, Uttar Pradesh and West Bengal.

Investor Services

The Company's shares have been dematerialized in both the depositories, i.e. NSDL and CDSL. 29 Shareholders out of 92,581 (approx.) shareholders are holding shares in physical mode. I would like to request the remaining shareholders to get their shares dematerialized, so that the bonus shares lying in the "Unclaimed Bonus Suspense Account" can be transferred to the demat account of the respective shareholders. Further, this will also enable the shareholders to receive dividends on time.

Corporate Governance

Your Company always strives to attain highest standards of Corporate Governance practices. It is complying with Government Guidelines on Corporate Governance framed by the Department of Public Enterprises (DPE) for CPSEs, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in letter and spirit. Your company is continuously working for the optimum benefit of its stakeholders, and has thus molded its corporate conduct to fulfill these responsibilities. The Company has established systems & procedures to ensure that its Board of Directors is well informed about the policies of the Company, to enable them to discharge their responsibilities and to enhance overall value for all stakeholders. Your Company is making best efforts to adapt and comply with changing statutes, and continues to comply with the Corporate Governance guidelines/ norms to the extent within its control.

Official Language

Continuous efforts are made to promote use, and ensure the effective implementation of the Official Language across all company offices. The progress in this regard is regularly reviewed and closely monitored. As a result of these sustained initiatives, the Company has surpassed its previous achievements and secured a total of 12 awards for excellence in Official Language implementation, including the Second Prize in the Eastern Region conferred by the Department of Official Language, Ministry of Home Affairs, Government of India, for the year 2024-25.

Human Resources

Your company has always considered its human resource, as the most important resource and has been conducting various employee benefit programs. MSTC fosters an environment of continuous learning and innovation and continues to invest in upskilling of its resources by providing training and learning opportunities to them. The industrial relations remained cordial and participative all along. We have offices in many cities in India so that we can reach out to our principals and customers easily, and seamlessly.

Acknowledgement

I would like to place on record my gratitude to the Hon'ble Union Minister for Steel, Hon'ble State Minister for Steel, Secretary (Steel), Additional Secretary and FA (Steel) and other officials of the Ministry of Steel, Ministries of Power, Defence, Coal, Mining, Civil Aviation, Petroleum & Natural Gas and other Central Government Ministries, all State Governments, various Central and State Public Sector Undertakings, private companies, bankers and our principals and other stakeholders for their valuable assistance and guidance and their trust extended to the Company during the year.

This phenomenal year of growth would not have been possible without the unyielding dedication of our directors and employees, whose passion continues to fuel our digital transformation.

Finally, I thank our valued customers and suppliers for continued faith and support reposed by them in the company, year after year, and assure you that we shall continue to create more value to all our stakeholders.

Jai Hind!

Manobendra Ghoshal

Chairman and Managing Director

PERFORMANCE HIGHLIGHT

Snapshot of Last Five Financial Years

(Amount in ₹ Lakhs)

Particulars	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022
Standalone					
Volume of Business	79,73,747	89,82,360	1,41,58,657	3,01,59,050	1,36,80,490
Revenue From Operation	36,966	31,096	31,625	32,472	47,064
Total Income	45,304	38,750	51,929	49,801	74,957
EBIDTA	30,749	26,004	29,217	31,998	22,737
Profit Before Tax	29,569	50,390	28,444	31,348	22,004
Profit After Tax	22,169	40,298	17,191	23,923	20,005
Earning Per Share	31.49	57.24	24.42	33.98	28.42
Dividend Rate	157%	405%	155%	150%	129%
Total Assets	2,02,733	2,13,178	1,83,974	2,27,693	1,61,231
Total Equity	92,055	75,179	66,457	59,403	46,548
Market Capitalization	2,57,981	3,59,744	5,85,130	1,78,042	2,15,635
Consolidated					
Consolidated Revenue From Operations	36,966	31,096	75,082	72,097	87,615
Consolidated Profit After Tax	21,843	40,707	20,437	24,196	19,913
Consolidated Total Asset	2,01,071	2,11,840	2,24,886	2,68,849	2,01,227
Consolidated Total Equity	90,394	73,841	88,904	78,650	65,408
Group Companies					
PAT of Joint Venture Company	-939.10	-1193.75	-1373.85	-531	57

₹920.55 Crores

Networth of the Company,
increased over 2 times in five years

₹110.53 Crores

Dividend payout @ 157%
for FY 2025-26

₹7.35 Crores

Spent on CSR activities

136 Nos.

Coal Mines have been
auctioned and soldout.

523 Nos.

Major mineral blocks have been
successfully e-auctioned





STATUTORY REPORTS

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF INDIAN ECONOMY

The Indian economy in the financial year 2025-26 exhibited remarkable strength and structural evolution, solidifying its position as the world's fastest-growing major economy. Building on the resilience shown in previous years, India achieved a robust GDP growth rate of around 7.4% to 7.6%, surpassing the 6.5% recorded in FY 2024-25. This acceleration was underpinned by a significant revival in private investment, sustained public capital expenditure, and a "virtuous cycle" of low inflation and rising real purchasing power. The economy also transitioned to a new base year (2022-23) for national accounts, better reflecting the modern digital and industrial landscape.

Domestic demand remained the primary engine of growth, with Private Final Consumption Expenditure (PFCE) reaching its highest share of GDP since 2012. While global headwinds persisted, India's external sector demonstrated maturity; merchandise and services exports showed improved performance, and Foreign Exchange Reserves reached a historic peak of over \$700 billion in January 2026, providing a formidable buffer against global volatility.

Key Highlights and Trends

The following trends observed in FY 2025-26 directly influenced the ecosystem of B2B e-commerce, government procurement, and digital auctions:

- **Maturation of the B2B E-commerce Ecosystem:** The B2B online marketplace surged toward a \$200 billion opportunity, fueled by deep internet penetration in Tier-II and Tier-III cities. For MSTC, this was evidenced by the increasing volume of industrial and scrap auctions being conducted on digital platforms, with a focus on "End-to-Life" asset management and circular economy principles.
- **Expansion of the Digital Public Infrastructure (DPI):** India's digital economy accelerated its journey toward the \$1 trillion mark. The Unified Payments Interface (UPI) achieved a milestone of 20 billion transactions per month by late 2025, facilitating seamless, high-value B2B settlements. This robust DPI provided the "trust layer" necessary for MSTC's complex auction and procurement transactions.

- **Next-Gen Government Procurement & Tenders:** Transparency in government procurement reached new heights through the integration of Generative AI and Data Analytics in e-procurement portals. These technologies helped in better price discovery and vendor risk assessment resulting in the shift of Public Sector Enterprises (PSEs) toward mandatory digital-first procurement.
- **Strategic Growth in FDI & Industrial Activity:** Gross FDI inflows grew by approximately 19.4% in the first half of the year. This influx, particularly in manufacturing and electronics, led to higher demand for raw materials and industrial inputs, creating a buoyant market for MSTC's e-commerce and marketing verticals.
- **Dominance of Green and Circular Economy Auctions:** A pivotal trend in FY 2025-26 was the launch of specialized digital exchanges, such as the Extended Producer Responsibility (EPR) Framework. MSTC pioneered this space by developing India's first exchange for trading EPR certificates (e.g., for battery and e-waste), aligning with the national focus on sustainable industrial growth.

Inflation Stability and Credit Health: Headline inflation remained "tamed and anchored," averaging around 1.7% to 2.0% for much of the year. Coupled with a multi-decadal low in Non-Performing Assets (NPAs) for commercial banks (standing at 2.2% in late 2025), this stable financial environment lowered the cost of credit for MSMEs participating in government tenders and auctions.

The financial year 2025-26 concluded with the Indian economy on a high-growth, low-inflation trajectory. For MSTC Limited, the environment was exceptionally conducive. The government's continued push for "Strategic Resilience" and "Digital India" translated into a massive pipeline of digital auctions, from iron ore and coal to the emerging markets of carbon credits and EPR certificates. With an asset-light model and a strategic pivot toward becoming a comprehensive software platform provider—including new ventures like centralized travel booking for government employees—MSTC is well-positioned to leverage the economy's digital momentum. The company's role in facilitating transparent, efficient, and technology-driven B2B transactions remains central to India's vision of a self-reliant and digitally empowered economy.

GLOBAL SCENARIO

The global economic landscape in FY 2025-26 was characterized by a transition from “tenuous resilience” to a “new realism,” where businesses and policymakers integrated volatility as a permanent operating factor. While the digital transformation remained a primary engine of growth, the year saw a sharper intensification of trade barriers and a more pronounced reconfiguration of global value chains.

E-commerce continued its ascent in FY 2025-26, but the focus shifted from simple online availability to hyper-personalized, AI-driven ecosystems. Moving beyond the recommendation engines of 2024-25, the current year saw the rise of “Agentic AI”—autonomous shopping agents capable of making multi-step purchasing decisions on behalf of consumers. Businesses pivoted toward “Total Experience” strategies, unifying customer, employee, and partner interactions into a single digital thread.

If FY 2024-25 was marked by “persistent tensions,” FY 2025-26 was defined by structural trade realignments. Global trade faced significant friction as tariff rates in major economies reached post-WWII highs. This led to a “de-risking” strategy where over \$160 billion in trade was diverted away from traditional corridors. Geopolitical conflicts in the Middle East and Eastern Europe persisted, impacting energy costs and shipping routes (notably the Strait of Hormuz). In response, businesses accelerated regionalization, moving production closer to end-consumers to mitigate the volatility of long-haul logistics. Diplomatic strains increasingly focused on the control of rare earth minerals and semiconductors, turning supply chain resilience into a matter of national security for many states.

Southeast Asia emerged as a focal point of global investment in FY 2025-26, though the divergence noted in the previous year became even more stark. To attract sustainable investment, several ASEAN nations introduced aggressive fiscal incentives for green manufacturing and carbon-neutral production, aligning with the global push toward ESG (Environmental, Social, and Governance) compliance.

The global economic scenario of FY 2025-26 was not merely a continuation of previous trends but a maturation of the “polycrisis” environment. The year proved that the digital economy is no longer a separate sector but the very infrastructure of global trade. However, this digital

optimism was balanced by a fragmented geopolitical reality that replaced “globalization” with “bloc-based regionalization.”

For organizations like MSTC, the ability to navigate this year required more than just adaptation; it required strategic foresight. The successful players of FY 2025-26 were those who leveraged AI for operational efficiency while simultaneously building agile, diversified supply networks that could withstand the sudden imposition of tariffs and the shifting sands of international diplomacy. In summary, FY 2025-26 was a year where technological acceleration met geopolitical fragmentation, demanding a sophisticated balance of innovation and risk management.

COMPANY’S BUSINESS

MSTC has two core business segments namely e-Commerce & Trading. MSTC plays a very important role as a service provider in e-Commerce and is a market leader in this sector. It has the distinction of serving majority of Central / State Govt. Departments, PSUs and a few leading Private Institutions in providing transparent fair & seamless e-Commerce services.

A. e-Commerce Business

MSTC continues to maintain its leadership as a standalone e-Commerce service provider PSU, offering an extensive bouquet of services including e-Bidding, Price Discovery, Procurement, customized e-Solutions, Software Development and Advisory Services. MSTC has pioneered digital commerce in diverse sectors such as Petroleum products, Agricultural produce, Forest produce, Fly-Ash, Scraps, Ferrous and Non-Ferrous Scrap, Surplus Stores, Plant and Machinery, Hazardous Waste, Coal, Iron Ore and other Minerals, alongside assets like land, buildings, flats, and bank NPAs.

The Company’s strategic focus remains on the development and deployment of integrated, paperless portals to enhance transparency and efficiency for Government and Private stakeholders. MSTC has successfully implemented the API integrations with Odisha Mining Corporation & Kerala e-Treasury, Ministry of Mines portal for Mineral Block Auction. Similar integrations with clients ERP systems are underway for some other clients also.

Selling Agency Business

MSTC acts as a trusted Selling Agent for a wide range

of Central and State Government departments, PSUs and Private Sector Corporates for the disposal of Scrap, Surplus Stores, Obsolete Equipment, e-Waste and other Hazardous Materials. Its technology-driven, automated processes, coupled with a vast buyer base, ensures optimized price realization through healthy competition with minimal manual intervention.

Leading private sector groups including Bharti Group, GMR Group, L&T, Tata Group, Indus Towers, JSW Group, Reliance Industries, Vedanta among others, have leveraged MSTC's e-Auction platform, significantly enhancing transparency, revenue realization, and corporate governance.

MSTC is also the nodal agency for channelizing the sale of all End-of-Life Vehicles (ELVs) from Government departments to Registered Vehicle Scrapping Facilities (RVSFs), thereby supporting the Government of India's vision of promoting a Circular Economy.

E –Sales

Since initiating e-Auctions for coal in 2004, MSTC has consistently expanded its e-Sales footprint, covering minerals such as manganese ore, lignite, chrome ore, bauxite, iron ore, fly ash, pond ash, sand, timber and forest produce, besides immovable properties from Government and Financial Institutions. MSTC remains the nominated agency for e-Auction of all major and minor mineral blocks across States/UTs in India.

E –Procurement

MSTC offers comprehensive e-Procurement solutions encompassing e-Tendering and e-Reverse Auctions, certified by STQC for stringent quality and security adherence. MSTC's flagship V3 Enterprise Procurement Solution has enhanced features like:

- ✓ Multi-currency bidding support for Global tendering;
- ✓ Linked events for seamless procurement workflows;
- ✓ QCBS-based tendering (Quality and Cost-Based Selection);
- ✓ Fully customizable modules for diverse sectoral needs.
- ✓ Pre Bidding and Post Bidding Clarifications.
- ✓ Online Pre bid meets.

The V3 system is now accessible through all major browsers and represents a global benchmark in ease of use and robustness.

E –Solutions

Few of the noteworthy E-Solutions developed by MSTC are as follows:

- a. EXIM Portal for Petroleum Industry: The online bidding platform for Export & Import of petroleum products was developed & delivered to IOCL and ONGC Group Companies.
- b. Online Draw System for selection of LPG & Petrol Pumps Dealership: Online Draw System is the process to select the applicants out of the eligible applicants, in secured and transparent manner, without any human intervention. In the current system, online applications are requested from the interested candidate and then from these candidates, eligible candidates are allowed to take part in the draw. This software is used in events to conduct online draws and display the names of the winners on the screen. The system is easy to use and ready for more complex draws. The application is developed with random number generation algorithm for conducting on-line computerized draw of lots (Online Computerized Draw System) by selecting only one eligible candidate at each time out of the total eligible applicants. Shuffling will occur for the names of the applicants along with their details in random order at the press of a button. Visualization of the shuffling process for display on the screen is there.
- c. MSTC was appointed as the transaction advisor cum 'software developer and operator' for condition of spectrum auction by Department of Telecommunication (GoI). The developed application was used for conduction of 'Simultaneous Multi Round Auctions' for sale of frequencies under various bands like 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz etc.
- d. MSTC has also developed the bidding platform for Ministry of Information and Broadcasting, similar to the process involved in spectrum auctions, for allocation of FM Channels.
- e. Coal Mine auctions: MSTC has developed and is operating the portal for Ministry of Coal (GoI), to auction Coal Mine for sale of coal (commercial mining) as per the Mines and Minerals (Development and Regulation) Act 1957 as well as other related Acts. The e-bidding process comprises of two stages- (a) Technical cum IPO and (b) forward auction.

- f. MSTC had developed an application software for IOCL wherein Tender cum auctions/ independent auction can be floated for finalization of Transporters for bulk POL (Petroleum Oil Lubricant). The application software has various sophisticated mechanism like auto evaluation and determination of provisional allotments based on pre fixed rules, maintaining optimum allotment to reserved categories etc.
- g. Director General of Hydrocarbons has empanelled MSTC as one of the service provider for conduction of e-bidding events by 'gas exploration and selling agencies'. Currently 'Hindustan Oil Exploration Company Limited' has committed to use MSTC's services for conducting their e-bidding events.
- h. Transmission Service Provider (Interstate/ Intrastate TBCB): Ministry of Power, Govt. of India notified "Tariff Based Competitive Bidding Guidelines for Transmission Service" and "Guidelines for Encouraging Competition in Development of Transmission Projects" (Guidelines). In line with provisions of the guidelines, Bid Process Coordinator like RECTPCL and PFCL are conducting events, using the services of MSTC for Interstate Transmission system (ISTS) projects. This also includes solar power and wind power projects.
- i. Critical Minerals, Offshore Minerals, Mining Leases and Exportation leases: in its bouquet of MLCL e-Bidding events, based on the latest guidelines issued by GOI, MSTC has upgraded its e-Solution for MLCL to include e-Bidding for Critical minerals, Offshore Minerals and Exploration Licenses.
- j. MSTC developed and maintains the DEEP portals for procurement of electricity by Power Distribution Companies for Short/Medium/Long term procurement of Power.
- k. MSTC has developed Swiss challenge-based subsidy allocation e-Bidding portal under Regional Connectivity Scheme (UDAN) and e-Bidding portal for sale of Duty Scrips issued by DGFT under service exports from India Scheme used for payment of import duties.
- l. MSTC has been nominated for Channelising the sale of all ELVs of all Govt. departments, both Central and State, ensuring compliance of all provisions under the ELV Policy. MSTC has also enabled the portal for sale by individuals and institutional seller in Private sector adhering to all policy guidelines.

- m. MSTC has signed agreement with various State governments for sale of minor mineral blocks.
 - n. Customised portal was developed for Chhattisgarh Forest department for sale of timber.
 - o. MSTC developed customised solution for tariff rate quota administration for bullion for Director General of Foreign Trade (DGFT).
- e-Commerce business constitutes about 99.81% (99.80% in 2024-25) of the total volume of business of the Company and contributed around 93.11% (94.48% in 2024-25) to the revenue from operations during FY 2025-26, reflecting its continued centrality to the Company's operations.

B. Trading Business

MSTC has in the recent past tapered down its trading vertical. Therefore the trading business constituted only 0.19% of the total volume of business during FY 2025-26 (0.20% in 2024-25), MSTC was facilitator for procurement of raw material on behalf of buyers and charge mark-up on percentage basis against a bank guarantee as security.

This division was engaged in the business for procurement of industrial raw materials, projects equipment etc. against Bank Guarantee (BG) to the tune of 110% from the Customer. Customers having sanctioned BG limits could use the same to procure raw materials / commodities for their projects or for trading.

The trading business achieved a volume of ₹ 15,497 lakhs out of the total volume of business of ₹ 79,73,747 lakhs during FY 2025-26 (as against ₹ 17,700 Lakhs out of the total volume of business of ₹ 89,82,360 Lakhs in FY 2024-25).

This business contributed ₹ 149 Lakhs of the total operational income of the Company during FY 2025-26 (₹ 185 Lakhs in 2024-25).

C. Recycling

MSTC had entered into a JV Agreement with M/S Mahindra Accelo Ltd. and formed a Joint Venture Company "Mahindra MSTC Recycling Pvt. Ltd" (MMRPL). MSTC, through this JV, had set up India's first authorised Collection and Dismantling centre at Greater Noida in 2018. At present, MMRPL has 6 operational Registered Vehicle Scrapping Centres/Registered Vehicle Scrapping Facilities (RVSFs) in Kalyan, Chennai, Indore, Ahmedabad, Guwahati, and Bengaluru. Apart from RVSF plants, MMRPL

has set up 45 collection centres throughout India.

MMRPL has tied up with various OEMs as partners for procuring scrap vehicles Pan India.

FUTURE OUTLOOK

MSTC continues to chart an ambitious growth trajectory, leveraging its core strengths in digital commerce, resource auctioning, and strategic platform development. The Company's future strategy is firmly anchored in key national priorities — digital transformation, sustainability, innovation, and circular economy promotion.

1. Expansion in Mineral and Resource Auctions

MSTC remains the nominated agency for allocation of coal blocks and Major mineral blocks across India. Additionally, MSTC is also auctioning Minor mineral blocks on behalf of a number of States. With successful auctioning of Coal and different mineral blocks, MSTC has extended its services to auctioning of Critical Mineral Blocks and Exploration Licenses.

2. Asset Monetisation for CPSUs

MSTC has entered into a MoU with SBI Capital Markets Limited for joint business development including for asset monetisation of various CPSEs. The MoU establishes a framework for collaboration, including in the areas of asset monetization, e-auctions, and related advisory services.

3. Private Sector Expansion

MSTC is continuously exploring ways to expand its footprint in the private sector scrap disposal business. The continuous efforts are paying dividends by roping in clients like Reliance Industries, Vedanta, Tata Power, Indus Towers, L&T, Raymonds, Jindal Power Ltd, Nyara Energy, Arcelor Mittal/ Nippon Steel etc.

4. Growth in Circular Economy and Recycling

MSTC has been the front runner in establishing recycling facilities for end of life vehicles and at present has 6 RVSF's and 45 collection centers. MSTC is strategically positioning itself for exploring ways to meet the requirement of Critical minerals etc. MSTC is also exploring recycling of ferrous material, End-of-Life Vehicles (ELVs), aircraft dismantling, e-waste and textile recycling. These initiatives are aligned with India's sustainability goals and offer significant long-term revenue potential.

5. Software Development and Management

MSTC's over the years have successfully developed and maintained platforms like the Coal Auction Portal, ELV Portal, Spectrum, Mineral Auction systems, OMC online

draw portal, EXIM portal, DEEP Portal etc. and recent initiatives such as the Ministry of Steel website and the SRTMI portal. Accordingly, MSTC is well-equipped to expand its offerings, proven track record in developing and managing customized digital portals etc. These experiences demonstrate its ability to deliver secure, scalable, and user-centric solutions, making it a reliable partner for government bodies, Public and Private sector and industries seeking digital transformation.

6. Extended Producer Responsibility Electronic Trading Platform for CPCB

MSTC had been awarded by CPCB, the work for the development and operation of an Electronic Trading Platform (ETP) for trading of Extended Producer Responsibility (EPR) certificates. It has completed the project development and the Security Audit has also been completed. The Bank integration is completed. At present MOEFCC and CPCB approval is pending for public launch. The commercial activities are expected to be launched after that. Envisioning the creation of a robust, transparent, and scalable Extended Producer Responsibility Electronic Trading Platform (EPRETP), under the regulatory framework of Central Pollution Control Board.

7. Portal for DGFT to administer Tariff Rate Quota (TRQ)

MSTC has developed a portal for DGFT to administer Tariff Rate Quota (TRQ) for importing commodities like gold bullion and online events have already been held for import of Gold bullion.

8. Agreement with SBI CAPS

MSTC has signed an agreement with SBICAPS for Comprehensive Transaction Advisory Solution to various clients where MSTC and SBI CAPS will bring their experience in relative fields and offer it as a bouquet of services to the Client.

9. MSTC as a part of expanding its own digital product line, is developing a travel portal and a portal for purchase and leasing of machinery. These are under advanced stages of development and will be launched shortly.

10. MSTC will be exiting from the erstwhile trading vertical completely during the financial year 2026-27.

DISCUSSION ON FINANCIAL PARAMETERS WITH RESPECT TO OPERATIONS AND PERFORMANCE

Performance

A) Agency Business

This year the total volume of Agency Business stands at

MANAGEMENT DISCUSSION AND ANALYSIS

61st ANNUAL REPORT 2025-26

₹ 64,06,878 Lakhs, against ₹ 61,97,924 Lakhs in 2024-25. Break-up for the year 2025-26 vis-à-vis 2024-25 is as follows:

Bussiness Segment	Volume of Business (₹ in Lakhs)	
	2025-26	2024-25
Scrap Disposal	7,85,975	6,43,681
e-Sale	21,34,400	27,75,857
Coal e-Auction	7,35,457	3,94,102
Iron ore e-Auction	27,51,046	23,84,284
Total (A) :	64,06,878	61,97,924

B) E-Procurement

Bussiness Segment	Volume of Business (₹ in Lakhs)	
	2025-26	2024-25
e-Procurement	15,51,371	27,66,736
Total (B) :	15,51,371	27,66,736
Total (A+B) :	79,58,249	89,64,660

C) Trading

The performance of the Trading Division shows a total volume of business of ₹ 15,498 Lakhs, against ₹ 17,700 Lakhs in 2024-25. Break-up for the year 2025-26 vis-à-vis 2024-25 is as follows:

Bussiness Segment	Volume of Business (₹ in Lakhs)	
	2025-26	2024-25
Indigenous materials	15,498	17,700
Total (C) :	15,498	17,700
Grand Total (A+B+C)	79,73,747	89,82,360

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

The details regarding material developments in human resources/ industrial relations front including number of people employed is given under Human Resource Development section of Board's Report.

RISKS AND CONCERNS

MSTC has adopted a structured and integrated Enterprise Risk Management (ERM) framework to proactively identify, assess, respond to, and monitor risks impacting the Company's strategic, operational, financial, technological, and regulatory objectives.

In the year 2025, MSTC approved Risk Management Policy, Standard Operating Procedures (SOPs), aligned with the latest SEBI (LODR) Regulations, 2015. A three-tier governance structure has been established comprising:

- ◆ Board of Directors and Risk Management Committee (RMC) for overall oversight,
- ◆ Risk Management Steering Committee (RMSC) for operational supervision,
- ◆ Risk Owners and Risk Response Owners for day-to-day functional risk management.

Enterprise Risks have been classified based on their origin into Internal and External categories and grouped under Financial, Operational, Strategic, Reputational, Regulatory, Cyber/Information Security, Extended Enterprise, Sectoral, and Sustainability domains.

Through structured consultations with Risk Owners, key enterprise-level and functional-level risks have been identified and appropriate mitigation strategies and Key Risk Indicators (KRIs) have been formulated.

MSTC's Risk Management Framework will ensure proactive identification of emerging risks, effective mitigation, and robust internal control systems, supporting the Company's strategic objectives and sustainable growth.

Risks, Internal Control Systems and their adequacy

Risk Management Policy in MSTC for trading was initially introduced in the year 2008-09. A broad Enterprise Risk Management Policy has been adopted on 29th May, 2025. MSTC makes it certain that the internal control system functions within the risk appetite of the Company. The company has now discontinued the higher risk models of business in trading.

M/s. Lodha & Co. LLP (FRN: 301051E/E300284), Chartered Accountants were assigned with the Internal Audit function of the Company for the year and their reports are put up to the management at regular intervals and summarized statement of important issues are placed before the Audit Committee. The Audit Committee analyses the functions of the internal control system and recommendations of the committee are put up to the Board and those are implemented as per the considerations of the Board. Audit Committee also considers various financial statements for risk analysis and control.

CONSERVATION OF ENERGY AND RESOURCES

MSTC works primarily in the field of sale of scrap materials, especially ferrous scraps from different sellers and trading of those scraps for recycling. Thus, MSTC works for the conservation of the natural resources, reduction in pollutants, conservation of energy by recycling ferrous scraps into a re-useable form. MSTC contributes towards recycling by facilitating easy scrap availability through common portal.

KEY FINANCIAL RATIOS

Key Ratios	FY 2025-26	FY 2024-25	Change in %	Reason for Difference/ Remarks
Debtor Turnover Ratio	1.38	0.99	42.50	Trade Receivable Turnover Ratio increased due to reduction in Trade Receivables on account of better realization.
Inventory Turnover	-	-	-	MSTC does not have any inventory, hence, not applicable.
Interest Coverage Ratio	-	-	-	MSTC does not have any long-term debt, hence, not applicable.
Current Ratio	1.49	1.28	16.61	Current Ratio has improved due to continuous cash profit earned by the Company.
Debt Equity Ratio	-	-	-	MSTC does not have any long-term debt, hence, not applicable.
Operating Profit Margin (%)	83.18	83.86	-0.54	
Net profit Margin (%)	59.97	129.59	-53.72	Net Profit Ratio for previous FY 2024-25 saw a one-time inflation due to a sharp increase in Net Profit After Tax, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary.
Return on net Worth (%)	24.08	53.60	-55.07	The Return on Net Worth/ Equity (ROE) ratio for previous FY 2024-25 saw a one-time inflation due to a sharp increase in Net Profit After Tax, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary.

CAUTIONARY STATEMENT

Statements under “Management Discussion and Analysis” are on Company’s projections and estimates. Actual results may materially differ from such projections and depends on economic condition and industry demand in the relevant domestic and international market. Government regulations including fiscal regulations and other incidental factors may also affect the projections and estimates.

For and on behalf of the Board of Directors

**Sd/-
(Manobendra Ghoshal)**

**Chairman and Managing Director
[DIN : 09762368]**

**Place : New Delhi
Date : May 29, 2026**

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 61st Annual Report on the business and operations of the Company along with the Audited Financial Statements, Auditor's Report and comments of the Comptroller & Auditor General of India for the year ended 31st March, 2026.

Financial Highlights of the Company

During the financial year 2025-26 the Profit After Tax stands at ₹ 22,169 lakhs as against ₹ 40,298 lakhs in the previous year. Profit Before Tax was ₹ 29,569 lakhs compared to ₹ 50,390 lakhs in the previous year. Company has recorded total revenue of ₹ 45,304 lakhs. Total E-commerce income has increased from ₹ 36,627 lakhs to ₹ 41,253 lakhs.

The Standalone Financial results of the Company for the financial year 2025-26 and 2024-25 are given below:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Total Income	45,304	38,750
Profit (Loss) before exceptional item and tax	29,569	24,071
Exceptional Items: Income/ (Expenses)	-	26,319
Profit (Loss) before tax	29,569	50,390
Tax	7,400	10,092
Profit after tax	22,169	40,298
Paid up capital (Equity)	7,040	7,040
Reserves	85,015	68,139
Dividend (%)	157%*	405%**
PBT Per Employee	102.31	168.53
Earnings per share (₹) (Face value ₹ 10/-)	31.49	57.24

*(Dividend (%) for FY 2025-26 includes interim dividend @ 76% and final dividend @ 81%)

** (Dividend (%) for FY 2024-25 includes 1st interim dividend @ 40%, 2nd interim dividend @ 320% and 3rd interim dividend @ 45%)

Operational Highlights:

During the financial year 2025-26, the Company has crossed ₹ 79,737.47 crores in terms of value of goods transacted through its trading and e-commerce. Other operational highlights are as follows;

- Coal Mine Auction for Commercial Mining: 13 tranches of auctions under Commercial Mining have been completed and the 14th tranche has been going on. A total of 136 mines have been auctioned and sold out. The total number of Coal Mines successfully sold in FY 2025-26 is 10.
- MSTC have successfully completed 6 tranches of Critical Mineral auctions and 7th tranche of Critical Mineral Auctions containing 19 blocks was launched on 23rd March 2026. Further, 2nd tranche of Exploration Licenses, having 11 blocks, was also launched in the month of February 2026. A total of 23 nos. of Critical Mineral Blocks and 7 EL blocks have been successfully sold in FY 2025-26.
- Mineral Block Auction: MSTC has successfully conducted e-auction for 523 major mineral blocks. MSTC is also conducting auctions for lease of Minor Mineral blocks in various states.
- MSTC has developed a Web portal for the Ministry of Steel and its CPSEs to monitor the physical and financial progress of projects undertaken by CPSEs with a capital expenditure of ₹ 100 crore and above. The portal is called "ISPAT".
- MSTC is developing various portals like R&D Portal, Bharat Steel Awards Portal etc on behalf of Ministry of Steel.
- MSTC has developed and deployed the e-auction platform for sale of timber from Chhattisgarh Forest Department.
- MSTC has conducted 174 No of Sand Block e-auctions on behalf of DGM, Chhattisgarh.
- EXIM Portal for Petroleum Industry: The online bidding platform for Export & Import of petroleum products was developed & delivered to IOCL. The EXIM portal is fully operational and IOCL is reaping the benefits after transforming its Import & Export activities to online mode. Considering the benefits acquired by IOCL from this portal, ONGC had also engaged MSTC for developing similar portal for them. Accordingly,

the e-bidding portal for Export & Import of petroleum products had been developed for ONGC and the Group Companies and the same is operational now. These portal(s) have improved the efficiency in the export & Import process of IOCL & ONGC.

9. MSTC continued to offer services for the Online Draw System for selection of LPG & Petrol Pumps and Dealership to the Oil Marketing Companies. In 2025-26, MSTC has successfully conducted 3,430 online draws for distribution of Petrol Pumps under SRMP 2018 & SRMP 2023, and 296 draws for distribution of LPG Dealership.
10. MSTC has sold 1,35,17,950 MT of Iron Ore/Slimes/ Pellets worth ₹ 5,670 Crores on behalf of NMDC limited.
11. Additionally, MSTC has sold 34.28 mMT of iron ore for ₹ 19,033 Crore on behalf of different miners of Iron ore in the state of Odisha.
12. MSTC has sold Land parcels/prime lands/ residential plots/seized flats/plots/buildings worth ₹ 7,244 Crores on behalf of Hyderabad Metropolitan Development Authority/Telangana Industrial Infrastructure Corporation/Telangana Housing Board and Enforcement Directorate.
13. MSTC is conducting online events for allocating Tariff Rate Quotas (TRQ) for gold bullion and other commodities on behalf of the Directorate General of Foreign Trade (DGFT).
14. MSTC is providing the e-commerce Solution for e-Bidding for Critical minerals and Exploration Licenses.
15. MSTC is also providing e-commerce solutions for coal gasification project and allotment of Offshore Mineral Blocks.
16. MSTC has sold 1.6 mMT of chrome ore for ₹ 1,573 Crore on behalf of OMC.
17. MSTC started e-auctioning of coal on behalf of CIL and its Subsidiaries as per the revised requirements of CIL. Additionally, MSTC is e-auctioning coal on behalf of SCCL and OCPL. Total quantity of Coal sold in 2025-26 is 38.92 million MT valued at ₹ 7,516.09 crore.
18. MSTC has successfully bid and emerged as the LI bidder in the tender floated by CIL for conducting NRS Linkage auctions for 3 years.
19. MSTC is developing an Electronic Trading Platform (ETP) for Extended Producer Responsibility (EPR)

Certificates on behalf of Central Pollution Control Board (CPCB).

20. MSTC has signed Selling Agency Agreement (SAA) with Shri Mata Vaishno Devi Shrine Board (SMVDSB), Katra for conducting e-auction/e-sale of following items:
 - a. E-Sale of Precious Metals, Gems Jewellery, ornaments, Coins, gold, silver and precious Stones
 - b. E-Auction of Scrap, Obsolete Items, condemned goods (including e-waste, battery scrap furniture items, metal scrap, paper, etc.
 - c. E-Auction of ELVs.
21. MSTC has developed Green Steel Certification Portal for NISST and Ispat Project Monitoring portal and Bharat Steel Expo portal for the Ministry of Steel.

Dividend

During the year, the Company has paid interim dividend of ₹ 7.60 per share. In addition, the Board of Directors of our Company has recommended a final dividend of ₹ 8.10 per share for the year, thereby taking the total dividend for the year to ₹ 15.70 per share with the total payout of ₹ 11,052.80 Lakhs. The final dividend will be payable to those shareholders whose name appears in the Register of Members as on the Book Closure / Record Date. The dividend declared/ recommended for the year are in accordance with the Company's dividend distribution policy. The Dividend Distribution policy as formulated by the Company may be assessed at the web link https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/newpolicy/DIVIDENDDISTRIBUTIONPOLICY.pdf.

Reserves

The Reserves stand at ₹ 85,015 Lakhs as on 31st March 2026.

Changes in Share Capital

The authorized share capital of your Company as on 31st March, 2026 stands at ₹ 15,000.00 Lakhs divided into 1,500.00 Lakhs equity shares of ₹ 10.00 each. During the year under review there is no change in share capital of your company.

Directors Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors state that:

- a) In preparation of the Annual Accounts, applicable Indian Accounting Standards (IND-AS) have been followed along with proper explanation relating to material departures.

- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for the financial year 2025-26.
- c) 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 frauds and other irregularities.
- d) The Directors have prepared the Annual Accounts for the year ended 31st March, 2026 on a going concern basis.
- e) The Directors had laid down internal financial controls of the Company and that such systems were adequate and operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors & Key Managerial Personnel

Shri Manobendra Ghoshal, Chairman and Managing Director, Smt. Bhanu Kumar, Director (Commercial) and Shri Subrata Sarkar, Director (Finance) and Chief Financial Officer are Whole-time Directors of the Company. Shri Manobendra Ghoshal is also acting as Chairman of Mahindra MSTC Recycling Pvt. Ltd. (MMRPL), a 50:50 joint venture of the Company. Shri Subrata Sarkar is also acting as Director of MMRPL.

During the year under review the Administrative Ministry has vide its Order No. 1/1/2025-BLA dated 15th April, 2025 appointed Shri Ramesh Kumar Soni (DIN:09399355) as Non-Official Independent Director of the company for a period of one year from the date of notification of his appointment, or till further orders whichever is earlier. Administrative Ministry has vide its Order No. 1/1/2025-BLA dated 15th May, 2025 appointed Smt. Alka Chandrakar (DIN: 11111923) and Shri Chandrashekhar Baghel (DIN: 11111187) as Non-Official Independent Directors of the company for a period of three years from the date of their appointment, or till further orders whichever is earlier. Further, the Administrative Ministry has vide its order no. S-14011/1/2022-BLA dated 11th June, 2025

appointed Ms Sudershan Mendiratta (DIN: 11152018), Joint Secretary, Ministry of Steel as Government Nominee Director on the Board of Directors of MSTC Limited, with immediate effect, until further orders, in place of Shri Vinod Kumar Tripathi (DIN: 10711675) and Shri Ashwini Kumar (DIN: 07598593). Approval of shareholders for appointment of the aforesaid Independent Directors and Government Nominee Director were obtained in the 60th Annual General Meeting of the Company.

The tenure of Shri Ramesh Kumar Soni (DIN: 09399355) as Non-Official Independent Director of the company, has completed and he ceased to be the Independent Director on the Board of MSTC Limited with effect from 15th April, 2026.

The Board places on record its sincere gratitude for the valuable guidance and support rendered by Shri Ramesh Kumar Soni, Shri Vinod Kumar Tripathi and Shri Ashwini Kumar during their association with the company. Consequent to their cessation from the Board they also ceased to be the Chairman/Member of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Shri Manobendra Ghoshal, (DIN 09762368) Chairman and Managing Director of the Company is retiring by rotation and being eligible offered himself for reappointment. The Directors recommended his reappointment in the ensuing Annual General Meeting of the Company.

The Company has received necessary declaration and certificate from all the Independent Directors confirming that they meet the criteria prescribed for Independent Directors under the applicable provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and rules made there under.

A separate meeting of Independent Directors was held during the year.

The provisions of Section 134(3)(p) of the Companies Act, 2013 require a listed entity to include a statement indicating the manner of formal annual evaluation of performance of the Board, its Committees and of individual Directors. However, the said provisions are not applicable for Government Companies as the performance evaluation of Directors is carried out by

the Administrative Ministry as per laid down evaluation methodology.

A brief profile of the Directors proposed to be appointed and reappointed at the ensuing AGM is provided in the notice calling the AGM.

The details of the Key Managerial Personnel of the Company as on the date of this report are as follows;

Sl. No.	KMP	Designation
1	Shri Manobendra Ghoshal	Chairman and Managing Director
2	Smt. Bhanu Kumar	Director (Commercial)
3	Shri Subrata Sarkar	Director (Finance) & CFO
4	Shri Ajay Kumar Rai	Company Secretary & Compliance Officer

The provisions of Section 134(3)(e) of the Companies Act, 2013 regarding the policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided in Section 178(3) are exempted for Government Companies.

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Hence, the provision of Section 188 of Companies Act, 2013 as amended are not attracted. The details of the related party transactions during the financial year are provided in note no. 34 of the standalone financial statement.

Thus, disclosures in Form AOC-2 are not required. Further there are no related party transactions with the Directors and KMP or other designated persons, which may have a potential conflict with the interest of the Company. All Related Party Transactions are placed before the Audit Committee for approval.

The Company has a related party transaction policy and the same is available on the website of the Company at www.mstcindia.co.in.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars

relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **Annexure-I** to this Report.

Corporate Governance Report

Separate report on Corporate Governance along with the Compliance Certificate on Corporate Governance are attached herewith as **Annexure-II** and form part of the Board's Report.

Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of the Board's Report.

Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report is attached herewith as **Annexure III** and forms part of the Board's Report.

Annual Return

In compliance of Section 92 of the Companies Act, 2013 and Rules made thereunder, the Annual Return for the financial year 2025-26 is available on the Company's Website at <https://www.mstcindia.co.in/content/AnnualReturns.aspx>

Corporate Social Responsibility

The Company is committed to social upliftment. In line with the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 & DPE guidelines, the Company has constituted a CSR Committee which functions as per the Govt. guidelines and the Company's CSR policy. The CSR Policy of the Company has been approved by the Board and is hosted on the website of the Company.

The Company has undertaken various activities as per the CSR policy of the Company. The Projects/ programmes/ activities are taken up in line with Schedule VII of the Companies Act, 2013.

Annual Report on Corporate Social Responsibility as required under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is placed as **Annexure IV** and forms part of the Board's Report.

Secretarial Audit

In compliance with Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri Saurabh Basu (Membership No. A18686),

Practicing Company Secretary has been appointed as the Secretarial Auditor for the year 2025-26. The Report of the Secretarial Auditor as prescribed is enclosed as **Annexure V** to this Report.

The Secretarial Auditor has made following observations;

1. In pursuance to the provision of Regulation 17(1)(a) of SEBI LODR, 2015, the company being top 1000 listed entity does not have at least one independent woman director for the period 01.04.2025 to 28.05.2025.
2. In pursuance to the provision of Regulation 17(1)(a) of SEBI LODR, 2015, the number of Independent Directors on the Board were less than fifty percent of Board Members during 01.04.2025 to 31.03.2026. From 01.04.2025 to 14.04.2025, there was no Independent Director and from 15.04.2025 to 28.05.2025 the Company had only one Independent Director. So, the Company was not complied with the Section 149 of the Companies Act, 2013 read with Schedule IV during the period from 01.04.2025 to 28.05.2025.
3. In pursuance to the provision of Regulation 17(1)(c) of SEBI LODR, 2015, the Board of Directors comprised of five directors from 01.04.2025 to 15.04.2025.
4. Due to inadequate number of Independent Director, during the period from 01.04.2025 to 28.05.2025 the following Statutory Committees like Audit Committee (Reg.18 of SEBI LODR, 2015 and Sec.177 of the Companies Act, 2013) and Nomination and Remuneration Committee (Reg.19 of SEBI LODR, 2015) were not formed in proper manner. In pursuance to Regulation 18(2)(b), in meeting of audit committee two independent director must be present to form the quorum, however in the Audit Committee meeting held on 29.05.2025 only one independent director attended the meeting.
5. The Company has not complied with certain provisions of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees during the period under review.

In this regard it is clarified that your Company is a Govt. Company under the administrative control of Ministry of Steel, Govt. of India. Neither the Board nor the Company is empowered to appoint Independent Directors as the power to appoint Independent Director vest with Government of India as per the Government guidelines. Company has requested administrative ministry for appointment of Independent directors and have continuously followed up.

Further, the Board Committees were reconstituted w.e.f. 16th April, 2025 upon appointment of Shri Ramesh Kumar Soni as Non-Official Independent Director of the company. The committees were further reconstituted on 29th May, 2025 upon appointment of Smt. Alka Chandrakar and Shri Chandrashekhar Baghel as Non-Official Independent Directors.

Auditors

Pursuant to Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India, has appointed M/s. S Guha & Associates, Chartered Accountants (FRN: 322493E), as Statutory Auditors of the Company for the year 2025-26. The report of the Auditors is attached to the Financial Statements of the Company. Management replies on the comments/observations of the Auditors are placed as **Annexure VI** to the Board's Report.

Comments by the Comptroller and Auditor General of India (CAG)

The comments of the CAG on the Annual Accounts of the Company in terms of Section 143(6) (b) of the Companies Act, 2013, shall be deemed as part of the Board's Report.

Number of Meetings of the Board

The Board met six times during the financial year 2025-26. The details of number of meetings of the Board of Directors held during the year 2025-26 form a part of the Corporate Governance Report.

Disqualification of Directors

Pursuant to Section 164(2) of the Act and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Directors have intimated that, they stand free from any disqualification from being appointed as a Director.

Notice of Interest by the Directors

Pursuant to Section 184(1) of the Act, Rule 9(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable provisions of SEBI, all the Directors have given Notice of Interest.

Committees of the Board

MSTC has constituted five committees of the Board viz., Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee, details of which are provided in the Corporate Governance Report.

Audit Committee

The Company has in place a board level Audit Committee, the details in respect of which are given in the Corporate Governance Report. Further, there has been no instance where the Board of Directors has not accepted the recommendation of Audit Committee.

Corporate Social Responsibility (CSR) Committee

In compliance of Section 135(1) of the Act, read with Rule 5 of the Companies (CSR Policy) Rules 2014, the Company has constituted CSR Committee of the Board, the details in respect of which are given in the Corporate Governance Report.

Subsidiary and Joint Venture Company

The Company has no subsidiary.

Mahindra MSTC Recycling Private Limited

MSTC had entered into a JV Agreement with M/S Mahindra Accelo Ltd. and formed a Joint Venture Company "Mahindra MSTC Recycling Pvt. Ltd." MSTC through this JV, had set up India's first authorised Collection and Dismantling centre at Greater Noida in 2018. At present, MMRPL has 6 operational Registered Vehicle Scrapping Centres/Registered Vehicle Scrapping Facilities (RVSFs) in Kalyan, Chennai, Indore, Ahmedabad, Guwahati and Bengaluru. Apart from RVSF plants, MMRPL has set up 45 collection centres throughout India.

MMRPL has tied up with M&M Ltd., Honda Motorcycle & Scooters, KIA, and SML Mahindra as partners for procuring scrap vehicles Pan India. MMRPL is also in discussion with other OEMs for a tie-up.

During the year ended 31st March 2026, the Company earned an income of ₹ 5,192 lakhs as against a figure of ₹ 3,466 lakhs in previous year.

The detailed information relating to the Joint Venture company in form AOC-1 in compliance with Section 129(3) of the Companies Act, read with Rule 5 of Companies (Accounts) Rules forms part of Annual Report as **Annexure VII**.

Consolidated Financial Results

In accordance with the provisions of the Companies Act, 2013 and the Accounting Standards issued by the Institute of Chartered Accountants of India, your Company has prepared the Consolidated Financial Statement for the group, including its joint venture.

The Summary of Consolidated Financial Results are as follows: (₹ in Lakhs)

Particulars	2025-26	2024-25
Total Income	45,304	38,750
Profit (Loss) before exceptional item and tax	29,244	24,480
Exceptional Items: Income/ (Expenses)	-	26,319
Profit (Loss) before tax	29,244	50,799
Tax	7,400	10,092
Profit after tax	21,843	40,707
Paid up capital (Equity)	7,040	7,040
Reserves	83,354	66,801
PBT Per Employee	101.19	169.90
Earnings per share (₹) (Face value ₹ 10/-)	31.03	57.82

Material Changes and Commitments, if any, affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company that have occurred between the close of the financial year ended 31st March, 2026 and the date of Board's Report.

Details of Significant and material order passed by the Regulators, Courts and Tribunals

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and the Company's operation in future.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and Rules made there under are given in the notes to the financial statements.

Public Deposits

Your company has not accepted any deposits under the Companies Act, 2013 during the financial year ended 31st March, 2026.

Compliance with DPE Guidelines and Policies

The guidelines and policies issued by the Department of Public Enterprise from time to time are duly complied with by the Company.

Compliance with Secretarial Standards

Your Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Internal Financial Controls

Your Company has put in place adequate internal financial controls for ensuring the efficient conduct of its business in adherence with laid-down 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, which is commensurate with the operations of the Company.

M/s. Lodha & Co. LLP (FRN: 301051E/E300284) was the Internal Auditor of the Company for the year and their reports are put up to the management at regular intervals and summarized statement of important issues are placed before the Audit Committee.

Systems

MSTC's IT infrastructure is by far the most sophisticated and robust in the country to take up ecommerce services in a secure and transparent manner for more than 2,60,000 clients across the globe.

MSTC's IT Department is equipped with the powerful RISC based IBM Power Series Servers having robust processing power and can serve more than ten thousand concurrent hits. The servers are highly energy efficient leading to saving of power and these servers are in operation with redundancy & high availability disaster recovery mode for providing uninterrupted services to our stakeholders like Principals, Bidders & other users. Mumbai Disaster Recovery site is also having a similar set up as in Kolkata Data Centre.

MSTC is concerned with information security issues and has left no stone unturned to achieve maximum security by installing different OEM Next Generation Firewall, Intrusion Prevention System (IPS), Managed Distributed Denial of Service (MDDoS), SSL etc.

The much-needed security features 'Write Once Media' which captures the Audit trails on a non-editable tamperproof media, has been the hallmark of MSTC's e-Commerce system.

SSL Encryption

SSL (Secure Sockets Layer) is the standard security technology for establishing an encrypted link between a web server and a client end browser. This link ensures that

all data passed between the web server and browsers remain private and integral. We have implemented 256-bit SSL in our web server with enforcement of TLS 1.3 & above.

All network equipment like routers, switches are from CISCO/CHECKPOINT and are totally ready for IPv6 migration. Security Appliances like Firewalls, IPS are in place to prevent unauthorized intrusion with latest signatures.

Periodical Application Security Testing is conducted by STQC, a Govt. of India Department. MSTC ensures security through periodical penetration, vulnerability & performance testing by STQC. MSTC conducts its business through a dedicated 255 MBPS ILL and also has another 200MBPS ILL connectivity taken from a different provider and with Point-to-Point (P2P) connectivity between DC & DR for data synchronization with redundancy. Two ILLs are in operation with load balancing with the implementation of Radware Link Load Balancer.

MSTC has developed an in-house browser independent e-Procurement solution with e-tendering, e-reverse auction, e-reverse auction with LI matching and many other models. General Financial Rules, CVC guidelines, IT Act 2000 and its Amendment of 2008 have been adhered to in this e-Procurement application and the said service has been certified by STQC.

MSTC server in Kolkata is manned round-the-clock throughout the year. The Systems dept. is well equipped with qualified professionals whose skills are continuously upgraded with training on latest technology.

MSTC's System Department is ISO 27001:2022 certified by STQC,

MSTC e-Commerce division is also ISO 9001:2015 Quality certified.

Developments of Information Technology during 2025-26

MSTC e-Commerce Systems is certified for ISO 27001:2022 by STQC and is valid up to 27th August 2026 (Information Security Management System Certification).

Security is in place with two different OEM Checkpoint & CISCO Next Generation Firewall at two levels (Perimeter & Server side).

ISO 9001:2015 certification is also maintained as per standards and this certificate is valid up to 19th January 2027.

Imperva Write-once management device (DAM) is in

place for better management & monitoring of activities related to data.

MSTC has developed in-house and implemented many customised projects like Udaan 5.5 (bidding for seaplanes and Helicopters), Chhattisgarh Forest Department portal, FM Channel auction portal, SCCL Shakti Short term linkage, Bank API Integration, Fixed Virtual Account Number, Multi Currency Bidding for V3 portal, Dynamic EMD for MLCL portal, MSTC Realty Portal, Penny Drop System for account verification, Ticket Raising Systems for users, nCode multi-browser PKI implementation, OTP verification in buyer login across portals, etc.

MSTC has also developed and customised in-house application of SIMS Phase 2, Fixed Deposit Register, Portal for Contractual and Retired Employees, Automated Refund Portal, Fixed Asset Register, Development and deployment of packages for FSNL like Online Recruitment module etc.

MSTC has implemented Security Information & Event Management (SIEM) and Security Orchestration, Automation, & Response (SOAR) solutions in its Data Centre at Kolkata for automation in log collection, analysis and response for improved security across different devices and servers.

Like previous year, MSTC's main focus in this year also was on Automation, streamlined solutions and integration of services.

API based integration has been done with Axis Bank for post-auction payments and same is being used on pilot basis for Eastern Regional Office. API integration also been done with Kerala State Treasury for post auction payment for auctions conducted for various State Government Departments.

Portal has been developed for the Excise Department, Government of Karnataka for e-auction of Liquor License. Portal has been developed for NMDC for conducting technical-cum-forward auction for selection of contractor for Operation, Maintenance and Development of Assets (OMDA) for 0.30 MTPA Silica Sand Mine and Crushing & Beneficiation Plant of NMDC at Lalapur, Prayagraj, UP on Revenue Sharing Model. A portal has also been developed for NMDC for Tender cum online Forward Auction for sale of slimes.

Customised bidding platform has been developed for e-AUCTION sale of NEO MAX GROUP properties as per the order of the Honourable High Court of Madras to recover

the amount by sale of attached properties from the defaulter.

An electronic trading platform for Central Pollution Control Board has been developed for trading of Extended Producer Responsibility (EPR) Certificates, where producers and recyclers shall buy and sell compliance credits to meet mandatory recycling targets (for Plastic, E-Waste, Battery, Waste Tyres, Used Oil, etc.).

MSTC has also developed a portal on behalf of the Directorate General of Foreign Trade (DGFT) for providing a platform for allocating Tariff Rate Quotas (TRQ) for gold bullion and other commodities. Two events have already been successfully completed.

In FY 2025-26, MSTC has generated revenue from operations from service charges on e-Commerce to the tune of ₹ 32,972 Lakhs (previous year ₹ 27,829 Lakhs).

MoU Performance

The Memorandum of Understanding (MoU) with the Government of India setting performance parameters and targets for the year 2025-26 was digitally signed by Chairman and Managing Director of the Company on 08.08.2025 and Secretary (Ministry of Steel), Govt. of India, on 22.08.2025. MoU targets for the Company continue to be more challenging and tougher over the years. However, the Company has been continuously striving to achieve new heights in terms of performance numbers. The performance rating for the financial year 2025-26 is under evaluation.

In terms of DPE guidelines, the evaluation of financial parameters of MSTC will be done based on Standalone Financial Results.

Information on key parameters in respect of CPSE

a. Achievement against Physical Parameters (where prescribed in MoU)

In 2025-26, MSTC had executed 2,57,157 no. of Auctions/ events through its portal for general e-Auction, Coal e-Auction and e-Procurements.

b. Exports/Income from Overseas/ Import Consumption (where applicable)

Not Applicable

c. Expenditure on R&D (including innovation initiatives) -

NIL

d. Onboarding on TReDS Platforms

TREDS platforms	Onboarding
RXIL	26.09.2019
DTX	02.12.2025
Mlxchange	30.03.2026
C2treds (acquired by Mlxchange)	Already onboarded on Mlxchange
INVOICEMART	14.08.2026

e. Timely payments to MSME's Vendors (directly or through TReDS) within prescribed timelines under the MSMED Act, 2006

No payments were made beyond 45 days to MSME's.

f. Procurement through GeM

MSTC has procured goods and services amounting ₹ 31.20 Cr through GeM portal and such procurement percentage comes to 99% of total procurement of ₹ 31.65 Cr made during the FY 2025-26.

Information pertaining to compliance parameters

a. Procurement from MSMEs

Procurement from MSMEs is 35% of total procurement. Procurement from SC/ST owned MSEs is 4.93% of total procurement. Procurement from Women MSEs is 5.47% of total procurement.

b. Total Annual Procurement – ₹ 31.65 Cr

c. Break-up of Procurement from MSMEs

Procurement from MSMEs is 35% of total procurement. Procurement from SC/ST owned MSMEs is 4.93% of total procurement. Procurement from Women MSMEs is 5.47% of total procurement.

d. Shortfall in MSE Procurement Targets – NIL

e. Health and Safety Initiatives for Human Resources

MSTC is maintaining a safe and healthy workplace through comprehensive risk mitigation and well-being initiatives. To foster a robust safety culture, the Company conducts regular training on fire safety and emergency protocols, ensuring all personnel are prepared for unforeseen events. Additionally, proactive preventive maintenance of machinery and equipment is prioritised to ensure optimal functioning and minimise hazards. MSTC also provides essential emergency resources, such as on-site wheelchairs and stretchers, for immediate medical support.

Human Resource Development (HRD)

MSTC Limited views its workforce as its most vital asset. As a people-centric organisation, employee growth through

continuous learning remains a cornerstone of our HR strategy.

In FY 2025-26, MSTC intensified its focus on capacity building to drive operational efficiency and professional excellence. While traditional training methods remained a staple for customised awareness and refresher courses, the year was marked by a remarkable uptake of self-paced learning.

Leveraging the iGOT Karmayogi portal, employees embraced a more flexible, digital-first approach to skill acquisition. This shift resulted in a significant surge in engagement, with a total of 8,743 training programs completed. These initiatives successfully upskilled 231 executives and 59 non-executives, blending structured institutional learning with the agility of modern, self-directed platforms.

To ensure a deep understanding of MSTC's business ecosystem, we prioritised sessions led by Internal Resource Persons (IRPs), complemented by institutional nominations and sessions by external subject matter experts.

Welfare of Weaker Sections

MSTC remains steadfast in its commitment to social equity, strictly adhering to Presidential Directives regarding reservations, relaxations, and concessions for SC/ST/OBC/PWD candidates. All recruitment and promotion policies comply with government mandates, and SC/ST representation is ensured in all Departmental Promotion Committees.

This year, training opportunities were extended to all the SC, ST, OBC, and all PWD employees. Furthermore, all possible cooperation and assistance was provided to the MSTC SC/ST Employees' Council to proactively safeguard the interests of reserved-category personnel by the Company.

Empowerment of Women

As a Corporate Life Member of the Forum of Women in Public Sector (WIPS), MSTC is dedicated to the professional and personal advancement of its female workforce.

The company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961/The Code on Social Security, 2020.

Key initiatives for empowerment include:

- ◆ Safety & Redressal: Internal Committees (IC) are active at the zonal level across all national offices, conducting regular meetings and awareness sessions to ensure a secure workplace.
- ◆ Skill Enhancement: During the 2025-26 period, 45 women employees participated in specialised training programs.

Disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

MSTC has in place a mechanism for prevention and redressal of sexual harassment of women employees at the workplace, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees (ICCs) have been set up in all the offices of the Company for rendering necessary assistance to and dealing with complaints, if any, of all the women employees of the Company. All employees (permanent, outsourced,

trainees etc.) are covered under this policy. Workshops are held with an objective to create awareness among the employees.

(a) Number of Complaints filed during the financial year 2025-26 : 0

(b) Number of complaints disposed off during the financial year 2025-26 : 1*

(c) Number of Complaints pending as on end of the financial year 2025-26 : 0

*The complaint was filed during the year 2024-25.

Manpower Statistics of MSTC as on 31st March 2026

	C	R	E	P	R	G	N	R	J	C	W	N	S	B	T	V	B	V	H	B	L	T
	O	O	R	A	A	U	R	A	A	H	R	A	R	A	R	I	H	A	Y	H	U	O
			O	T	N	W	O	I	I	A	O	G	O	N	I	Z	O	D	D	U	C	T
				N	C	A		P	P	N		P		G	V	A	P	O	E	B	K	A
				A	H	H		U	U	D		U		A	A	G	A	D	R	A	N	L
						I	A	R	R	I		R		L	N		L	A	A	N	O	
							T			G				O	D			R	B	E	W	
							I			A				R	R			A	A	S		
										R				E	U				D	W		
										H					M					A		
																				R		
EXECUTIVE	27 [#]	59 [*]	12	4	2	4	13	8	8	9	11	2	13	8	7	6	3	8	9	9	8	230
NON EXECUTIVE	2	18	4	0	1	0	2	1	1	0	5	0	5	2	3	7	1	4	1	0	2	59

[#]Excluding CVO who is on deputation.

^{*}Including one official posted in MMRPL.

SC/ST/OBC/Physically Handicapped Employees status as on 31st March 2026

GROUP	TOTAL	SC(%)	ST(%)	OBC(%)	PHYSICALLY HANDICAPPED (%)
A[#]	230	35 (15.21)	13 (5.65)	68 (29.56)	7 (3.04)
B	NIL	NIL	NIL	NIL	NIL
C	56	6 (10.71)	2 (3.57)	17 (30.35)	2 (3.57)
D	3	2 (66.66)	NIL	NIL	NIL
TOTAL	289	43 (14.87)	15 (5.19)	85 (29.41)	9 (3.11) *

[#] Excluding CVO who is on deputation.

* PWD is on interlocking basis with other castes and categories.

Male/Female Employees as on 31st March 2026

	MALE	FEMALE	TOTAL
EXECUTIVE#	194*	36	230
NON-EXECUTIVE	50	9	59
TOTAL	244	45	289

Excluding CVO who is on deputation.

*Including one official posted in MMRPL.

Grievance Redressal Mechanism

MSTC has well-established internal mechanisms to handle grievance-related matters, ensuring timely and effective resolution. There are total 18 (eighteen) cells in Regions and Branches of the organisation and there is a Central Grievance Cell at the Corporate Office. Stakeholders can submit their grievances through the MSTC Public Grievance Portal or via the citizen portal of the Centralised Public Grievance Redress and Monitoring System (CPGRAMS).

Additionally, MSTC conducts both online and offline client satisfaction surveys for its various e-commerce services, using the feedback to enhance the overall customer experience. Through these channels, MSTC reinforces its commitment to maintaining a transparent and accountable system for addressing stakeholder concerns.

Statement of Public Grievances for the period of 1st April, 2025 to 31st March, 2026 is as under:

Types of Grievances	Grievances outstanding as on 1 st April, 2025	Grievances received in 2025-26	Grievances disposed off in 2025-26	Grievances outstanding as on 31 st March, 2026
MSTC (CPGRAMS)	00	41	41	00
MSTC Grievance Site	00	20	20	00

Right to Information Act 2005

Your Company has aligned with the online RTI portal launched by DoPT and all the applications / appeals received through the portal have been disposed off through the portal, namely <https://rtionline.gov.in>. Provisions of RTI Act 2005 have been complied with for processing the RTI applications and appeals received in all offices of MSTC. There is one Transparency Officer, one First Appellate Authority, one CPIO, one Nodal Officer in MSTC, Corporate office and every region/branch has one PIO for effectively processing the RTI applications received at various locations of the Company.

All quarterly reports have been uploaded online on CIC site. During 1st April, 2025 to 31st March, 2026, a total of 126 RTI applications have been received through online and by post. A total of 13 First Appeals have been received. Out of the above, 126 RTI Applications and 13 First Appeals have been disposed off.

Official Language

Continuous efforts are being made to promote the use and ensure the effective implementation of the Official Language across all company offices. The progress in this regard is regularly reviewed and closely monitored. As a result of these sustained initiatives, the Company has surpassed its previous achievements and secured a total of 12 awards for excellence in Official Language implementation, including the Second Prize in the Eastern Region conferred by the Department of Official Language, Ministry of Home Affairs, Government of India, for the year 2024-25.

To further encourage the use of the Official Language within the Company, the following activities have been undertaken:

1. Official Language Implementation Committee

A total of 18 Official Language Implementation Committees have been constituted across MSTC, including the Corporate Office, Registered Office, and various Regional and Branch Offices. Implementation

Committee meetings are held regularly under the chairmanship of the Chairman and Managing Director at CO and RO. During the year, four such review meetings were convened.

2. Town Official Language Implementation Committee

MSTC Ltd.'s Corporate Office, Registered Office, and its 16 Regional and Branch Offices are active members of their respective Town Official Language Implementation Committees (NARAKAS). In recognition of their efforts, several offices have received Official Language Implementation Awards.

The Gujarat Regional Office (Vadodara), Telangana Regional Office (Hyderabad), and Jharkhand Branch Office (Ranchi) secured First Prize. The Andhra Pradesh Branch Office (Visakhapatnam), Odisha Regional Office (Bhubaneswar), Madhya Pradesh Branch Office (Bhopal), and Kerala Branch Office (Thiruvananthapuram) were awarded Third Prize. The Registered Office (Kolkata) and Southern Regional Office (Chennai) received Consolation Prizes. Additionally, the Chhattisgarh Branch Office and North East Branch Office were awarded Certificates of Appreciation by their respective NARAKAS.

Overall, MSTC Ltd. has, for the first time, achieved a record by securing a total of 11 NARAKAS Awards cumulatively.

3. Official Language Inspections

- Odisha Regional Office, Bhubaneswar (10th September, 2025), and Western Regional Office, Mumbai (18th November, 2025) were inspected by the Committee of Parliament on Official Language.
- Southern Regional Office (09th April, 2025), Karnataka Regional Office (7th May, 2025), Odisha Regional Office (16th May, 2025), Western Regional Office (10th October, 2025), Andhra Pradesh Branch Office (14th October, 2025) and the Rajasthan Regional Office (21st January, 2026) were inspected by the Ministry of Steel.
- Southern Regional Office (8th April, 2025), Karnataka Regional Office (6th May, 2025), Odisha Regional Office (15th May, 2025), Telangana Regional Office (10th July, 2025), Bihar Branch Office (17th December, 2025), Rajasthan Regional Office, (20th January, 2026), Chhattisgarh Branch Office (6th February, 2026), Jharkhand Branch Office (6th February, 2026),

Kerala Branch Office (21st February, 2026), Madhya Pradesh Branch Office (21st February, 2026), Western Regional Office (24th February, 2026), Andhra Pradesh Branch Office (13th March, 2026), Gujarat Regional Office (13th March, 2026), Uttar Pradesh Regional Office (18th March, 2026), North East Branch Office (25th March, 2026), Chandigarh Branch Office (27th March, 2026) were inspected by MSTC's Official Language Department.

- Official Language Department of MSTC also inspected E-Commerce Department (26th June, 2025), Company Secretary Department (25th November, 2025), Finance & Accounts Department (23rd February, 2026), Legal Department (25th February, 2026) & Systems Department (23rd March, 2026).

MSTC Ltd. has demonstrated continuous improvement in its performance with regard to the implementation of the Official Language.

4. Seminar, Conference, Workshops and Hindi Language Training

Seminar on 'Vikshit Bharat me Rajbhasha ki Bhumika' was organized on 6th January, 2026, under the aegis of NARAKAS Undertaking, Kolkata. Dr. Vichitra Sen Gupta, Deputy Director (Implementation - East) and Mr. Mrityunjay Srivastava, former General Manager of MSTC, were present in the seminar as Speakers. All the members of NARAKAS, Kolkata and official language coordinators of the Registered office also participated in the event. Several participants presented their views on the topic.

MSTC Ltd. also organized Official Language workshops at the all-India level on the topics of "Translation Practice" (14th May, 2025), "Noting and Drafting Practice" (25th September, 2025), "Correspondence Practice" (6th December, 2025), and "Constitutional Provisions related to Official Language" (20th February, 2026). In addition, internally prepared study materials were circulated, and practice-based quiz competitions were conducted.

During the year 2025-26, from the Registered Office, 06 employees were nominated for training in the July-November 2025 session and 08 employees in the January-May 2026 session under the Hindi Language Training Programme conducted by the Central Hindi Training Institute. Of these, 12 employees underwent training under the Parangat course, 01 under Pragya, and 01 under Praveen.

In addition, 33 employees from the Regional and Branch Offices also received official language training through the Central Hindi Training Institute.

5. Official Language Fortnight

Official Language Fortnight-2025 was organised from 14th September 2025 to 30th September 2025. Various competitions were conducted for employees and their family members, and prizes were awarded to the winners. The MSTC Rajbhasha Coordinators' Conference-2025 was also held on the theme "Review of the New Quarterly Report." Shri Rudra Nath Mishra, Deputy General Manager (Official Language), NMDC Ltd., was invited as the Chief Trainer.

6. Rajbhasha Sangati

MSTC's in-house magazine, "Rajbhasha Sangati" (7th & 8th joint edition), was unveiled on 25th June 2025 by the Chairman and Managing Director during a meeting of the Official Language Implementation Committee. This edition was a special issue titled "MSTC Shabdanjali" (Departmental Dictionary). The dictionary contains department-wise terminology commonly used in day-to-day official work.

Vigilance Setup

Vigilance Department ensures proactive monitoring, risk mitigation, and compliance, safeguarding organisation's integrity and efficiency. It plays an instrumental role in identifying and mitigating risks of fraud, corruption, and misconduct, thereby protecting the reputation and fostering public trust. At MSTC, the Vigilance Department is led by the Chief Vigilance Officer (CVO), who spearheads anti-corruption initiatives, enforces ethical adherence, and oversees impartial investigations to preserve organizational integrity. The department cultivates a culture of transparency and accountability while providing strategic counsel to management on vigilance matters. The primary duties of the Vigilance Department include conducting meticulous investigations into complaints received from customers, principals, bidders, contractors, employees, stakeholders, the Ministry of Steel, the Central Vigilance Commission (CVC), the Prime Minister's Office (PMO), MSTC management, media outlets, audit reports, and other relevant sources. In addition, proactive preventive measures, including surprise inspections, routine audits, scrutiny of procurement and contract documentation, system evaluations, monitoring of sensitive positions, compilation of lists of officials with doubtful integrity & agreed list and scrutiny of employees' property returns. The department also maintains robust coordination with the Central Vigilance Commission (CVC), Chief Technical Examiner (CTE), Central Bureau

of Investigation (CBI), and the Ministry of Steel to ensure compliances and objectives.

Some of the important activities undertaken by the Vigilance Department during FY 2025-26 are as follows:

- 31 complaints received and 33 complaints disposed off (04 complaints from last financial year and 29 complaints from this year).
- 02 investigation reports have been completed.
- 10 contracts/audit reports scrutinized.
- 08 Surprise Checks and 08 Regular Inspections were conducted.
- Based on vigilance activities, 05 Systemic Improvements were recommended to the management.
- Scrutiny of 58 Property returns was undertaken which constitute more than 20.07% of total employees.
- Training Programme: One Vendor Meet was organized by the Vigilance Department during Vigilance Awareness Week 2025. Four Preventive Vigilance Training sessions were conducted in physical mode. Employees were encouraged to participate in Preventive Vigilance Training through the iGOT portal, and a total of 93 employees were trained. Nine sensitization programmes were conducted at various MSTC offices located in New Delhi, Kolkata, Vadodara, Chandigarh, Jaipur, Lucknow, Visakhapatnam, Raipur, and Chennai.
- In accordance with the instructions of the Central Vigilance Commission (CVC), a three-month preventive vigilance campaign was successfully undertaken as a prelude to Vigilance Awareness Week 2025, from 18th August 2025 to 17th November 2025, focusing on five preventive vigilance areas.

Vigilance Awareness Week:

MSTC Limited observed Vigilance Awareness Week 2025 from 27th October to 2nd November 2025, in line with the theme "सतर्कता: हमारी साझा ज़िम्मेदारी" / "Vigilance: Our Shared Responsibility." A series of activities were organized to highlight the organization's commitment to promoting transparency and ethical governance.

The organization's website and social media platforms were extensively used for wide dissemination of Vigilance Awareness Week activities and the theme among employees as well as the general public. Leaflets were distributed to create public awareness and to encourage citizens to take the Integrity Pledge.

On this occasion, the 7th edition of MSTC's in-house Vigilance magazine, "Jaagrat," was published, featuring articles and poems written by MSTC employees based on the Vigilance Awareness Week theme. Messages received from the Hon'ble President of India, Vice-President of India, Prime Minister of India, and the Central Vigilance Commission (CVC) were also published in the Vigilance Corner of the organization's website.

A skit play and a walkathon based on the theme were organized to spread awareness among employees of the Corporate Office, Registered Office, and other Regional and Branch Offices. 08 Vendors Meet and Customer Grievance Redressal Camps were organized at various MSTC offices across the country.

In addition, competitions such as Elocution, Essay Writing, Slogan Writing, Painting, and Quiz competitions were conducted, involving more than 200 participants, including MSTC employees, their wards, and school and college students from Kolkata.

Compliance of recommendations made by the Committee on Papers Laid on the Table (Rajya Sabha) in its 150th Report:

Details of cases initiated / disposed-off during the financial year 2025-26.

- ◆ No. of cases pending as on 31st March 2025: 0
- ◆ No. of cases initiated during 2025-26: 3
- ◆ No. of cases pending as on 31st March 2026: 2

Nature of Pending case: Irregularities related to medical bill and sharing of login credentials.

- ◆ Officer involved: 1 No. in one case and second case is under investigation.
- ◆ Charge sheet issue on: 1 No. (Minor)
- ◆ Disciplinary Proceedings: N.A.

Acknowledgement

The Board of Directors wish to place on record their gratitude to the Hon'ble Union Minister for Steel, Hon'ble Minister of State for Steel, Secretary (Steel), Additional Secretary and FA (Steel), and other officials of the Ministry of Steel, Defence Ministry, Coal Ministry, Mining Ministry, Civil Aviation, Petroleum, Natural Gas Ministry and various other Central Government Ministries, all State Governments, various Central and State public sector undertakings, private companies, the bankers, our principals and others for their valuable assistance and guidance extended to the Company during the year. The Directors express their gratitude to all stakeholders,

customers and suppliers for the trust and confidence reposed by them on your Company year after year.

Your Directors also place on record the appreciation of the sincere efforts made by employees which has resulted in good performance of the Company.

For and on behalf of the Board of Directors

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
[DIN : 09762368]

Place: New Delhi
Date : May 29, 2026

Annexure: I

Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo as per Section 134 of the Companies Act, 2013, as read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of Energy and Technology Absorption

The company has upgraded its existing IBM Power Series Server to its latest model which consumes much less electrical power and conserves energy which will become live in due course. Being IT oriented Company, technological upgradation is a continuous process in MSTC and has been fully achieved by your Company.

B. Foreign Exchange Earnings & Outgo

The Company has no foreign exchange earnings and foreign exchange outgo during the year 2025-26 as well as in the previous year i.e. 2024-25.

For and on behalf of the Board of Directors

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
[DIN : 09762368]

Place : New Delhi
Date : May 29, 2026

CORPORATE GOVERNANCE REPORT

Corporate governance represents the framework of rules, relationships, and processes by which an organization is directed and controlled. It balances the interests of a company's many stakeholders—including shareholders, management, customers, and the community—by ensuring the equitable distribution of value. Through a commitment to transparency and ethical leadership, effective governance provides the structure through which company objectives are set and the means of attaining those goals are monitored. At its essence, corporate governance is the system that ensures organizational accountability and integrity. By fostering a culture of legal compliance and ethical conduct from the board level down, it serves as a critical driver of sustainable economic growth. Robust governance practices minimize risk, boost investor confidence, and ensure that the organization remains resilient within the broader financial landscape.

Corporate Governance Philosophy of MSTC

MSTC's core business revolves around fostering transparency in high-value transactions, catering primarily to various public authorities and Public Sector undertakings through its e-commerce services. Our corporate governance philosophy revolves around ensuring effective practices that align with the company's objectives.

At MSTC, we prioritize transparency and integrity across all levels of management to uphold the trust of our stakeholders. Our commitment to high ethical standards, adherence to values in business dealings, transparency, meticulous due diligence in commercial contracts, and adoption of best governance practices reflects our dedication to fostering a culture of accountability and trustworthiness.

BOARD OF DIRECTORS

Composition & Category of Board of Directors

The Board of MSTC comprises of Executive (Whole Time Directors) and Non-Executive Directors (which includes Independent Directors and Government Nominee Directors). Independent Directors are eminent persons

having vast experience in the field of finance, economics, administration etc.

As on 31st March, 2026, the Board of MSTC comprised of 7 Directors which includes 3 Executive Directors (Whole-Time Directors), 1 Non-Executive Government Nominee Director and 3 Non Executive Independent Directors. The Board comprised of 3 Women Directors.

Shri Ramesh Kumar Soni (DIN: 09399355) was appointed as Non-Official Independent Director of the company with effect from 15th April, 2025 for a period of one year from the date of his appointment, or till further orders whichever is earlier. Smt. Alka Chandrakar (DIN: 11111923) and Shri Chandrashekhar Baghel (DIN: 11111187) were appointed as Non-Official Independent Directors of the company with effect from 29th May, 2025 for a period of three years from the date of their appointment, or till further orders whichever is earlier. Further, Ms. Sudershan Mendiratta, Joint Secretary, Ministry of Steel was appointed as Government Nominee Director on the Board of Directors of the company with effect from 12th June, 2025. Shri Vinod Kumar Tripathi (DIN: 10711675) and Shri Ashwini Kumar (DIN: 07598593) ceased to be the Government Nominee Directors with effect from 11th June, 2025. The tenure of Shri Ramesh Kumar Soni (DIN: 09399355) as Non-Official Independent Director of the company, has been completed and he ceased to be the Independent Director on the Board of MSTC Limited with effect from 15th April, 2026.

As stipulated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee of the company and Board of Directors has identified following list of core skills/competencies of the Board of Directors:

- Executive Leadership
- Governance Experience
- Strategy/Risk management
- Financial Acumen
- Sectorial/Domain Knowledge
- Marketing Knowledge
- Policy Evaluation and Culture Building

Skills & its Description

	Shri Manobendra Ghoshal	Smt. Bhanu Kumar	Shri Subrata Sarkar	Smt. Sudershan Mendiratta	Shri Ramesh Kumar Soni	Smt. Alka Chandrakar	Shri Chandra Shekhar Baghel
Leadership Experience of running large enterprise	✓	✓	✓	✓	✓	✓	✓
Governance Experience understanding of the changing regulatory landscape	✓	✓	✓	✓	✓	✓	✓
Experience of crafting Business Strategies and Risk Management	✓	✓	✓	✓	✓	✓	✓
Finance and Accounting Experience	✓	✓	✓	✓	✓	✓	✓
Understanding of Consumer and Customer insights in diverse environments and conditions	✓	✓	✓	X	X	X	X
Experience in overseeing ecommerce functioning and use of Digital Technology across industry	✓	✓	✓	X	X	X	X
Experience in overseeing Policy Evaluation and Culture Building	✓	✓	✓	✓	✓	✓	✓

The Composition of Board of Directors is as follows:

Name of Director	Category	No. of Directorships and Committee positions in other companies incorporated in India as on 31 st March, 2026			No. of shares held in the Company
		Directorship	Membership of Committees **	Chairmanship of Committees **	
Shri Manobendra Ghoshal	Chairman and Managing Director	1	-	-	NIL
Smt. Bhanu Kumar	Whole Time Director (Commercial)	-	-	-	NIL
Shri Subrata Sarkar	Whole Time Director (Finance)	1	-	-	NIL
Smt. Sudershan Mendiratta (w.e.f. 12.06.2025)	Government Nominee Director (Non Executive)	-	-	-	NIL
Shri Ramesh Kumar Soni (w.e.f 15.04.2025)	Non-Executive Independent Director	-	-	-	NIL
Smt. Alka Chandrakar (w.e.f 29.05.2025)	Non-Executive Independent Director	-	-	-	NIL
Shri Chandra Shekhar Baghel (w.e.f 29.05.2025)	Non-Executive Independent Director	-	-	-	NIL

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director (Non Executive)	-	-	-	NIL
Shri Vinod Kumar Tripathi (upto 11.06.2025)	Government Nominee Director (Non Executive)	-	-	-	NIL

Notes:

** In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committee and Stakeholders' Relationship Committee in other Public Limited companies have been considered.

Board Meetings

During the Financial Year under review, 6 (six) Meetings of the Board were held on 29th May, 2025, 13th August, 2025,

16th October, 2025, 12th November, 2025, 30th December, 2025, 11th February, 2026. The Maximum gap between two meetings did not exceed 120 days.

The information as required to be disclosed under Schedule V of the Listing Regulations, pertaining to Composition of Board and related matters including number of Board Meetings attended by Directors during the year 2025-26 and attendance at the last Annual General Meeting by them are tabulated below:-

Name of Director	Category	No of meetings held during the tenure	Attendance by Directors in meetings	Whether attended last AGM held on 24 th September, 2025
Shri Manobendra Ghoshal	Chairman and Managing Director	6	6	Yes
Smt. Bhanu Kumar	Whole Time Director (Commercial)	6	6	Yes
Shri Subrata Sarkar	Whole Time Director (Finance)	6	6	Yes
Smt. Sudershan Mendiratta (w.e.f. 12.06.2025)	Government Nominee Director (Non Executive)	5	5	Yes
Shri Ramesh Kumar Soni (w.e.f 15.04.2025)	Non-Executive Independent Director	6	6	Yes
Smt. Alka Chandrakar (w.e.f 29.05.2025)	Non-Executive Independent Director	6	6	Yes
Shri Chandra Shekhar Baghel (w.e.f 29.05.2025)	Non-Executive Independent Director	6	6	Yes
Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director (Non Executive)	1	1	NA
Shri Vinod Kumar Tripathi (upto 11.06.2025)	Government Nominee Director (Non Executive)	1	1	NA

Notes:

1. Shri Vinod Kumar Tripathi and Shri Ashwini Kumar ceased to be the Government Nominee Director of the Company w.e.f. 11.06.2025 and Smt. Sudershan Mendiratta has assumed the charge of Government Nominee Director w.e.f. 12.06.2025.
2. Shri Ramesh Kumar Soni was appointed as Independent Director w.e.f. 15.04.2025. Smt. Alka Chandrakar and Shri Chandra Shekhar Baghel were appointed as Independent Directors w.e.f. 29.05.2025. Shri Ramesh Kumar Soni ceased to be Independent Director with effect from 15.04.2026.
3. None of the directors are members of more than 10 Committees or Chairman of more than 5 Committees, across all companies in which he/she is a director as per Regulation 26(1) (a) & (b).
4. Directors per se are not related to each other.
5. The Company has proper system to enable the Board of Directors to periodically review the compliance reports of all laws applicable to the Company.
6. Information as mentioned in Schedule II Part A of the SEBI Listing Regulations has been placed before the Board for its consideration.
7. The Company also has in place, procedures to inform Members of the Board of Directors about the risk assessment and minimization.
8. None of the directors of your company are holding shares in the Company.
9. None of the directors of your company are holding directorship in any other listed Company.

In order to familiarize the Independent directors with their roles, rights, responsibilities, business model, nature of Industry in which company operates, etc. the Company has conducted familiarization programmes. The details of the familiarization programmes are disclosed in the website of the company at <https://www.mstcindia.co.in/content/FPID.aspx>.

Brief information of Directors proposed to be appointed/reappointed at the ensuing AGM.

Brief profile and information of Directors proposed to be appointed/reappointed at ensuing Annual General Meeting forms part of 61st AGM Notice.

COMMITTEES OF THE BOARD

The Board Committees plays a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/ activities which

concern the company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry clearly defined roles which are considered to be performed by the Members of the Board, as part of Good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees inform the Board about the summary of the discussion held in the Committee Meetings. The Minutes of the Meeting of all the Committees are placed before the Board for review.

MSTC has constituted five committees of the Board viz, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee.

Details of Committees of Board are as follows:

i) Audit Committee
Terms of Reference

The Terms of Reference of the Audit Committee covers the matter specified for Audit Committee under Section 177 of the Companies Act, 2013, Regulation 18 and Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee also complies with the guidelines issued by DPE on Corporate Governance relating to Audit Committee. The Terms of Reference of Audit Committee inter-alia includes the following;

- 1) To assist the Board in its oversight functions relating to:
 - a) quality and integrity of disclosures contained in the audited and unaudited financial statements;
 - b) compliance with legal and regulatory requirements;
 - c) qualifications, experience, performance and independence of external auditors;
 - d) integrity of the internal controls established from time to time; and
 - e) Investments of the Company.
- 2) To investigate into any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and seek external professional advice, if necessary.
- 3) To investigate any activity within its terms of reference.

- 4) To seek information from any source including employees.
- 5) To obtain outside legal or other professional advice, if necessary.
- 6) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- 7) To protect whistle blowers.
- 8) The role of the Audit Committee shall include the following:
 - a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - b) Reviewing with the management, the quarterly / half yearly financial statements before submission to the Board for approval.
 - c) Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (3)(c) of Section 134 of the Companies Act, 2013;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with accounting standards issued by the Institute of Chartered Accountants of India;
 - vi) Compliance with legal requirements relating to financial statements;
 - vii) Disclosure of any related party transaction; and
 - viii) Qualifications in the draft audit report.
- 9) Audit(s):
 - a) Internal Audit:
 - Reviewing, with the management, performance of internal auditors (external firms) and adequacy of internal control systems.
 - Reviewing the adequacy of internal audit (in house) function, if any, including the structure of

internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of such audit.

- Discussion with internal auditors on any significant findings and follow up thereon.
- Recommending to the Board appointment and fixation of fees for Internal Auditors for Audit and other services if any.

b) Statutory Audit & Branch Audit:

- Discussion with Statutory Auditors & Branch Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Discussion with Statutory Auditors & Branch Auditors on any significant findings and follow up thereon.
- Recommending to the Board the fixation of Statutory and Branch Audit Fees.
- Approval of payment to statutory auditors for any other services (other than audit) rendered by them.

c) Cost Audit & Tax Audit:

Recommending to the Board, the appointment, reappointment and if required, replacement or removal of cost auditors and tax auditors and fixation of Audit fees and other terms of appointment.

- 10) Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process.
- 11) Review the Cost Audit Report along with full information and explanation on every reservation or qualification contained therein and recommend the report to the Board for consideration
- 12) Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- 13) Review with the independent auditors the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- 14) Consider and review the following with the independent auditors and management:
 - a) The adequacy of internal controls including computerized information system controls and security, and

- b) Related findings and recommendations of the Independent auditor and internal auditor, together with the management responses.
- 15) Consider and review the following with the management, internal auditor and the independent auditor:
 - a) Significant finding during the year, including the status of previous audit recommendations.
 - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- 16) Government Audit- To review the follow up action on the audit observations of the C&AG Audit.
- 17) Reviewing the findings of any internal investigations by the internal auditors/statutory auditors/other agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 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) To review the follow-up action taken on the recommendations of Committee On Public Undertakings (COPU) of the Parliament.
- 21) Review and pre-approve all related party transactions in our Company. For this purpose, the Audit Committee may designate a member who shall be responsible for pre-approving related party transactions.
- 22) Review the Company's financial policies, commercial policies and risk management policies.
- 23) Evaluation of internal financial controls and risk management system.
- 24) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 25) Scrutiny of inter-corporate loans and investments.
- 26) Valuation of undertakings or assets of the Company, wherever it is necessary.
- 27) Approval or any subsequent modification of transactions of the Company with related parties.
- 28) Review the following information:
 - a) The management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - c) Management letter / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses;
 - e) The appointment, removal and terms of remuneration of internal auditors/chief internal auditor; and
 - f) Certification / declaration of financial statements by the chief executive officer/chief financial officer.
- 29) To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company.
- 30) Review of the quarterly statement for deviation including report of monitoring agency, if applicable submitted to Stock Exchanges.
- 31) Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.

Composition & Details of Meetings of Audit Committee

The Committee consists of three members out of which two members are Independent Directors and one member is Government Nominee Director. The Chairman of the Committee is Non – Executive Independent Director. Director (Finance) and Director (Commercial) are the Permanent Invitees of the Audit Committee. Company

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

Secretary acts as Secretary to the Audit Committee.
The Committee met 5 (five) times during the financial year ended 31st March, 2026, on 29th May, 2025, 13th August,

2025, 16th October, 2025, 12th November, 2025 and 11th February, 2026.

The composition of the Audit Committee and details of meeting & attendance is as follows:

Members	Category	Position	No. of Meetings held during tenure	Attendance by Members
Shri Ramesh Kumar Soni (w.e.f 16.04.2025)	Non-Executive Independent Director	Chairman	5	5
Smt. Sudershan Mendiratta (w.e.f.13.06.2025)	Government Nominee Director	Member	4	4
Shri Chandra Shekhar Baghel (w.e.f 30.05.2025)	Non-Executive Independent Director	Member	4	4
Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director	Member	1	1
Shri Vinod Kumar Tripathi (upto 30.05.2025)	Government Nominee Director	Member	1	1

ii) Nomination and Remuneration Committee

The Company, being a Government Company, the appointment, tenure and remuneration of directors are decided by the Government of India. Further, the remuneration of the employees of the Company including senior management personnel is decided by the Board in line with applicable DPE Guidelines. Further, provisions of the Companies Act, 2013 relating to criteria for appointment of Director(s), policy relating to the remuneration of Director(s) and performance evaluation pertaining to NRC shall not be applicable to Government Companies. Similar exemption is anticipated from SEBI in terms of requirements under Listing Regulations. However, it is mandatory for NRC to decide the annual Bonus/ variable pay pool and policy for its distribution among the employees of the Company within the limits as provided under DPE Guidelines. Further, appointment of KMP and employees of E-7 and above grade are approved by the Board on recommendation of NRC.

Terms of reference for the Nomination and Remuneration Committee are as follows:

The role of the Nomination and Remuneration Committee shall be as follows:

1. To decide the annual bonus / variable pay pool Performance Related Pay (PRP) and policy for its distribution across the executives (including Board Level executives), non executives and non-unionized supervisors within the prescribed limits for each financial year.

2. To examine all the proposals related to HR issue and give its recommendations.
3. The recommendations of the "Nomination & Remuneration Committee" shall be placed before the Board of Directors for approval.
4. Formulation and modification of schemes for providing perks and allowances for officers and non-executives as per the guidelines/ directions of the Govt. of India.
5. Formulation of the criteria for determining 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.
6. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
7. Devising a policy on diversity of board of directors.
8. 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 of directors their appointment and removal.
9. 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.
10. Recommend to the board, all remuneration, in whatever form, payable to senior management which

shall be effective from 1st April, 2019 or such other date as may be prescribed by SEBI, as the case may be.

Composition and Details of Meetings of Nomination & Remuneration Committee

The Committee consists of three members out of which Two members are Independent Directors and one member is Government Nominee Directors. The Chairman of the Committee is Non – Executive Independent Director. Director (Finance) and Director (Commercial) are the Permanent Invitees of the Nomination & Remuneration

Committee.

Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

The Committee met 5 (five) times during the financial year 2025-26 on 29th May, 2025, 13th August, 2025, 12th November, 2025, 30th December, 2025 and 11th February, 2026.

The current composition of the Nomination & Remuneration Committee and details of meeting & attendance is as follows:

Members	Category	Position	No. of Meetings held during tenure	Attendance by Members
Shri Ramesh Kumar Soni (w.e.f 16.04.2025)	Non-Executive Independent Director	Chairman	5	5
Smt. Sudershan Mendiratta (w.e.f 13.06.2025)	Government Nominee Director	Member	4	4
Smt. Alka Chandrakar (w.e.f 30.05.2025)	Non-Executive Independent Director	Member	4	4
Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director	Member	1	1
Shri Vinod Kumar Tripathi (upto 30.05.2025)	Government Nominee Director	Member	1	1

Remuneration Policy

Remuneration to the Directors

MSTC Limited being a Government Company, the terms and conditions of the appointment and remuneration of functional directors are determined by Government of India through its Administrative Ministry, Ministry of Steel. Part-time official Directors (Government Nominee Directors) do not draw any remuneration from the company.

As per approval of the Board, the part-time Non-Official Directors (Independent Directors) are paid sitting fees of ₹ 20,000 separately for attending meeting of the Board and its Committee meetings which is as per the guidelines fixed by the Government of India and is within the overall ceiling fixed under the Companies Act, 2013.

The details of the remuneration paid to the Functional Directors during the financial year 2025-26 are as under:

(₹ in Lakhs)

S.L. No.	Name	Designation	Salary and Perquisites as per Section 17(1) & (2) of the Income Tax Act, 1961	Post Employment Benefit	Other Long Term Benefit	Total
1.	Shri Manobendra Ghoshal	Chairman & Managing Director	103.70	11.60	6.29	121.59
3.	Smt. Bhanu Kumar	Director (Commercial)	102.35	11.72	-0.29	113.78
4.	Shri Subrata Sarkar	Director (Finance)	89.70	9.09	-1.52	97.27

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

Details of sitting fees paid to Independent Directors during the financial year 2025-26 are as follows:

Sl. No.	Name	Total Remuneration (₹ in Lakhs)
1.	Shri Ramesh Kumar Soni (w.e.f 15.04.2025)	4.60
2.	Smt. Alka Chandrakar (w.e.f 29.05.2025)	2.60
3.	Shri Chandra Shekhar Baghel (w.e.f 29.05.2025)	2.80

iii) Stakeholders Relationship Committee

Terms of Reference

The Terms of reference of Stakeholders Relationship Committee are as follows:

- Resolving the grievances of the security holders of the listed entity 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.
- Review of measures taken for effective exercise of voting rights by the shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of

dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition and details about meeting & attendance of Stakeholders Relationship Committee

The Committee consists of three members out of which 1 member is Non-Executive Independent Director and 2 members are Functional Directors. The Chairman of the Committee is Non- Executive Independent Director.

Shri Ajay Kumar Rai is the Company Secretary and Compliance Officer of the Company and acts as the Secretary to the Stakeholders Relationship Committee.

The Committee met 1 (one) time during the financial year 2025-26 on 28th April, 2025.

The current composition, meetings and attendance of the Stakeholders Relationship Committee are as follows:

Members	Category	Position	No. of Meetings held during tenure	Attendance by Members
Shri Ramesh Kumar Soni (w.e.f 16.04.2025 upto 29.05.2025)	Non-Executive Independent Director	Chairman	1	1
Smt. Alka Chandrakar (w.e.f. 30.05.2025)	Non-Executive Independent Director	Chairman	-	-
Smt. Bhanu Kumar	Director (Commercial)	Member	1	1
Shri Subrata Sarkar	Director (Finance)	Member	1	1
Shri Vinod Kumar Tripathi (w.e.f 30.05.2025 upto 11.06.2025)	Government Nominee Director	Member	-	-

During the financial year 1 (one) shareholders' complaint was received by the Company and the same was disposed off satisfactorily.

iv) Corporate Social Responsibility (CSR) Committee

In compliance of Section 135(1) read with Rule 5 of the Companies (CSR Policy) Rules 2014, the Company has constituted the CSR Committee of the Board.

Corporate Social Responsibility Committee provides recommendations, suggestions, and inputs to the Board of Directors for formulation of a Corporate Social Responsibility Policy of the company covering, inter alia,

the matters specified in Schedule VII of the Companies Act, 2013.

Terms of Reference

The Terms of Reference of Corporate Social Responsibility Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility and Sustainability Policy which shall indicate the activities to be undertaken by your company as specified in Schedule VII of the Companies Act, 2013.
- Recommend amount of Expenditure to be incurred on CSR Activities.

- c) Monitor the Corporate Social Responsibility and Sustainability Policy of the Company and its effective implementation from time to time.
- d) Formulate and recommend to the Board, an annual action plan for CSR activities.

Composition and details of meeting & attendance of CSR Committee

The Corporate Social Responsibility Committee comprises of five members out of which three are Independent Directors, one is Government Nominee Director and one is Functional Director. The Chairman of

the Committee is a Non-Executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2025-26, 4 (Four) meetings of Corporate Social Responsibility Committee were held on 29th May, 2025, 13th August, 2025, 12th November, 2025 and 11th February, 2026.

The current composition, meetings and attendance of the Corporate Social Responsibility Committee are as follows:

Members	Category	Position	No. of Meetings held during tenure	Attendance by Members
Shri Ramesh Kumar Soni (w.e.f. 16.04.2025)	Non-Executive Independent Director	Chairman	4	4
Shri Subrata Sarkar	Director (Finance)	Member	4	4
Smt. Alka Chandrakar (w.e.f. 30.05.2025)	Non-Executive Independent Director	Member	3	3
Shri Chandra Shekhar Baghel (w.e.f. 30.05.2025)	Non-Executive Independent Director	Member	3	3
Smt. Sudershan Mendiratta (w.e.f. 13.06.2025)	Government Nominee Director	Member	3	3
Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director	Member	1	1
Shri Vinod Kumar Tripathi (upto 30.05.2025)	Government Nominee Director	Member	1	1

v) Risk Management Committee

In compliance of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the Risk Management Committee of the Board.

Terms of Reference

The Terms of Reference of Risk Management Committee is as follows:

- (a) To formulate a detailed risk management policy which shall include:
 - (i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (ii) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (iii) Business continuity plan.

- (b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (g) The Risk Management committee can seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

Composition and details of meeting & attendance of Risk Management Committee

The Risk Management Committee comprises of five members out of which two are Independent Directors, one is Government Nominee Director and two are Functional Directors. The Chairman of the Committee is a Non-Executive Independent Director.

The Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2025-26, 2 (two) meetings of Risk Management Committee were held on 20th May, 2025 and 16th December, 2025.

The Composition and details of meeting and attendance are as follows:

Members	Category	Position	No. of Meetings held during tenure	Attendance by Members
Shri Ramesh Kumar Soni (member w.e.f 16.04.2025 & chairman w.e.f 13.06.2025)	Non-Executive Independent Director	Chairman	2	2
Smt. Sudershan Mendiratta (w.e.f 13.06.2025)	Government Nominee Director	Member	1	1
Smt. Bhanu Kumar	Director (Commercial)	Member	2	2
Shri Subrata Sarkar (w.e.f 13.06.2025)	Director (Finance)	Member	1	1
Shri Chandra Shekhar Baghel (w.e.f 30.05.2025)	Non-Executive Independent Director	Member	1	1
Shri Dibyendu Roy (upto 30.05.2025)	Additional General Manager (E-Commerce)	Member	1	0
Shri Ashwini Kumar (upto 11.06.2025)	Government Nominee Director	Chairman	1	1
Shri Vinod Kumar Tripathi (upto 11.06.2025)	Government Nominee Director	Member	1	1

SENIOR MANAGEMENT

Particulars of senior management including the changes therein since the close of the previous year are as follows:

Name	Designation	Department	Particulars of change, if any
Smt. Renuka Verma	Chief General Manager	Personnel & Administration	-
Shri Suchit Kumar Barnwal	General Manager	Finance	-
Shri Surya Kant	General Manager	Corporate Communication, Corporate Planning, Official Language	-
Shri Mayank Pandey	General Manager	Systems	-
Shri Sanjib Poddar	General Manager	Operations	-
Shri Arnab Mahalanabis	General Manager	Coordination	-
Shri Ajay Kumar Rai	Additional General Manager	Company Secretary	-
Shri Dibyendu Roy	Additional General Manager	E-Commerce	-
Shri Debasis Ghosal	Additional General Manager	Law	-
Shri Prabir Ghoshal	Deputy General Manager	Marketing	Transferred w.e.f 04.07.2025
Smt. Manidipa Bose	Deputy General Manager	Marketing	Posted w.e.f 04.07.2025

SUBSIDIARY COMPANIES

During the financial year the company does not have any subsidiary.

GENERAL BODY MEETINGS

The Details of General meetings held in last three years are as follows:

Meeting No	Venue	Date & Time	Special Resolution Passed
58 th	Through Video conferencing at Registered office of MSTC Limited Located at Plot no.CF-18/2, Street No.175, Action Area 1 C, New Town, Kolkata – 700156	20 th September, 2023 at 11:00 Hours	No
59 th	Through Video conferencing at Registered office of MSTC Limited Located at Plot no.CF-18/2, Street No.175, Action Area 1 C, New Town, Kolkata – 700156	18 th September, 2024 at 11:00 Hours	No
60 th	Through Video conferencing at Registered office of MSTC Limited Located at Plot no.CF-18/2, Street No.175, Action Area 1 C, New Town, Kolkata – 700156	24 th September, 2025 at 11:00 Hours	Yes

Following special resolution was passed during the year in 60th Annual General Meeting of the Company:

1. Appointment of Shri. Ramesh Kumar Soni (DIN: 09399355) as an Independent Director
2. Appointment of Smt. Alka Chandrakar (DIN: 11111923) as an Independent Director
3. Appointment of Shri Chandra Shekhar Baghel (DIN: 11111187) as an Independent Director

No special resolution was passed during the year through postal ballot. Further, no special resolution is proposed to be conducted through postal ballot.

DISCLOSURES

1. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the company at large:

The Board has approved a policy on materiality of related party transactions and on dealing with related parties and the same is posted on the company's website at www.mstcindia.co.in.

2. Disclosure by Senior Management in accordance with Regulation 26(5) of the SEBI Listing Regulations:

For the financial year ended 31st March, 2026 the Senior Management Personnel of the Company have confirmed to the Board of Directors that they do not have any personal interest relating to material, financial and commercial transactions entered into by the Company that may have a potential conflict with the interests of the Company at large.

3. Disclosures on Compliance of Laws:

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

However, during the year, the Company received notices from NSE as well as BSE regarding non-compliance with the provision of Regulation 17(1), 17(2A), 18(1), 19, 20, 21(2) of the SEBI (LODR) Regulations, 2015 during the quarter ended March, 2025, June, 2025, September, 2025 and December, 2025 and imposition of monetary fine due to not having requisite number of the Independent Directors in the Board. The Company informed the Stock Exchanges that MSTC is a Government Company in which appointment of all Directors is done by the Government of India. MSTC further requested the Stock Exchanges to waive off the fines as shortcoming was not due to any negligence on part of the Company. Consequent to the appointment of Independent directors and reconstitution of committees by the Company the Stock Exchanges have waived off the fines imposed under regulation 17(2A), 18(1), 19, 20, 21(2) of the SEBI (LODR) Regulations, 2015 as the company has complied with these provisions.

4. Vigilance Mechanism/Whistle Blower Policy:

The Company has a Whistle Blower Policy/Vigil

Mechanism which is posted on the website of the Company at www.mstcindia.co.in for its directors and employees to report their concerns about the Company's working or about any violation of its policies. The vigil mechanism provides for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide direct access to the Chairperson of the Audit Committee. No personnel have been denied any access to the Chairman of Audit Committee including Independent directors.

5. Code of Prevention of Insider Trading Practices

In compliance with the SEBI Regulations on prohibition of Insider Trading, the company has in place a comprehensive code of conduct for its Directors, Designated Persons and Officers. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the company. The code clearly specifies, among other matters, that Directors and Designated persons of the Company can trade in the shares of the Company only during "trading window open period". The trading window is closed during the time of declaration of results, dividend and other material events, as per the code and the same is posted on the website of the company at www.mstcindia.co.in.

6. Details of compliance with mandatory requirements and adoption of non mandatory requirements

All mandatory requirements have been complied with and the non mandatory requirements are dealt with at the end of this Report.

7. Policy for determining Material Subsidiaries

The Company has adopted Policy for determining material subsidiaries and the same is posted on the Company's website at www.mstcindia.co.in.

8. Commodity price risk or foreign exchange risk and hedging activities

Not applicable to the Company.

9. Certificate from the Managing Director and the Chief Financial Officer

Certificate from Shri Manobendra Ghoshal, Chairman and Managing Director and Shri Subrata Sarkar, Director (Finance) and Chief Financial Officer, in terms of Regulation 17(8) of the SEBI Listing Regulations for the financial year ended 31st March, 2026 was placed before the Board of Directors of the Company.

10. Code of Conduct

A Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013, has been adopted by the Board, to bring it in line with the SEBI Listing Regulations. The Code of Conduct for Board Members and Senior Management Personnel of the Company is posted on the Company's website at www.mstcindia.co.in. All Board Members and Senior Management Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Chairman and Managing Director in terms of SEBI Listing Regulations forms part of the Board's Report.

11. Declaration by Independent Directors under Section 149(6) of the Act and Regulation 16(1)(b) and Part C(2)(i) of Schedule V of the SEBI Listing Regulations

During the financial year ended 31st March, 2026, the Company has received declarations in terms of the provisions of Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations from all Independent Directors of the Company. Further, as per Part C(2)(i) of Schedule V of the SEBI Listing Regulations, the Board of Directors has confirmed that in their opinion, the independent directors are person of integrity and possess relevant expertise as per Regulations and are independent of the management.

12. The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:

Please refer Note 27 on payments to Auditors in standalone financial statements for total payment/accrual of fees charged by M/s. S Guha & Associates (FRN: 322493E). Other than that, Statutory Auditors of the Company have not provided any service to the Company or its subsidiaries.

13. Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI Listing Regulations. The policy has been detailed in the Boards' Report and is posted on the Company's website www.mstcindia.co.in.

MEANS OF COMMUNICATION

1. Financial Results

The quarterly results of the Company were announced within due time as per the statutory requirements and were sent to the Stock Exchanges. These results were also published in the leading English, Hindi & Bengali newspapers. The results are also displayed on the Company's website www.mstcindia.co.in as well as on the BSE and NSE websites.

2. News releases

Whenever the Company issues any press release, it is immediately sent to the Stock Exchanges as well as posted on the Company's website. The Company also puts forth the key information about the Company and its performance, including quarterly results, statutory notices, press releases and presentations made to institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results, on its website www.mstcindia.co.in regularly for the benefit of its shareholders and the public at large. The intimations are also submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) simultaneously.

MEETINGS OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV of the Companies Act, 2013 and as per regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on **11th March, 2026**. The Independent Directors reviewed the quality, quantity and timeliness of the flow of information between the Management and the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

The details of dividend paid by MSTC in the last seven years are as follows;

Financial Year	Type of Dividend	Rate of Dividend (%)	Amount of unclaimed/unpaid dividend as on 31 st March 2026 (₹ in Lakhs)	Total amount of Dividend (₹ in Lakhs)	Date of Declaration of Dividend	Due date of transfer to IEPF
2025-26	1 st Interim	76.00	39.06	5350	11.02.2026	19.03.2033
2024-25	3 rd Interim	45.00	8.99	3168	26.03.2025	01.05.2032
2024-25	2 nd Interim	320.00	63.93	22528	10.02.2025	18.03.2032
2024-25	1 st Interim	40.00	11.85	2816	09.11.2024	15.12.2031
2023-24	Final	50.00	9.99	3520	18.09.2024	24.10.2031
2023-24	2 nd Interim	50.00	13.89	3520	08.02.2024	15.03.2031
2023-24	1 st Interim	55.00	16.21	3872	03.11.2023	09.12.2030
2022-23	Final	32.00	9.32	2253	20.09.2023	26.10.2030
2022-23	2 nd Interim	63.00	16.84	4435	11.02.2023	19.03.2030
2022-23	1 st Interim	55.00	16.61	3872	08.11.2022	14.12.2029
2021-22	Final	44.00	12.94	3098	27.09.2022	02.11.2029

The Company follows a structured orientation and familiarization program through periodic representations made at the board meeting on business performance, long term strategies initiatives and risk involved.

SHAREHOLDER'S INFORMATION

(A) Annual General Meeting:

The Annual General Meeting for the Year 2025-26 will be held on 24th September, 2026 at 11:00 AM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

(B) Financial Calendar: From 1st April to 31st March every year.

The financial calendar to approve quarterly / annual financial result for the year 2026-27 is given below:

Quarter ending 30th June, 2026 on or before 14th August, 2026.

Quarter ending 30th September, 2026 on or before 14th November, 2026.

Quarter ending 31st December, 2026 on or before 14th February, 2027.

Quarter and year ending 31st March, 2027 on or before 30th May, 2027.

(C) Book Closure Date: 18th September, 2026 to 24th September, 2026

(D) Record Date for payment of Dividend: 17th September, 2026

(E) Dividend Payment Date: The Final Dividend if approved by the shareholders shall be paid/credited within the stipulated time.

(F) Dividend History: MSTC has been paying dividend consistently.

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

2021-22	2 nd Interim	65.00	20.26	4576	11.02.2022	19.03.2029
2021-22	1 st Interim	20.00	7.27	1408	12.11.2021	18.12.2028
2020-21	Final	44.00	8.61	3098	28.09.2021	03.11.2028
2019-20	Final	33.00	8.41	2323	25.09.2020	31.10.2027
2018-19	During the financial year 2018-19 no dividend was declared					

Transfer to Investor Education and Protection Fund:

Section 124 of the Companies Act, 2013 provides that any dividend that has remained unpaid / unclaimed for a period of seven years from the date of transfer to unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government. Unclaimed dividend for the FY 2017-18 (Final) was transferred to the IEPF within the due date. No dividends are due for transfer during the financial year 2026-27 as there were no dividend declared in the financial year 2018-19. The unclaimed dividends pertaining to the financial year 2019-20 (Final) shall be transferred to IEPF in accordance with the provisions of Companies Act. Section 124(6) of the Companies Act, 2013 read with rules made there under provide that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund. No shares were transferred to IEPF during the year as there were no shares in respect of which dividend remained unpaid / unclaimed for a consecutive

period of 7 years. Further, all shares in respect of which dividends remaining unclaimed for financial year 2019-20 and thereafter shall be transferred to IEPF in accordance with the provisions of Companies Act.

In compliance of the IEPF Rules, the Company sends reminder letter to all such shareholders, whose dividend has remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to the IEPF Authority within the due date.

In respect of dividend/shares which have been transferred to IEPF, shareholders can claim the same from IEPF Authority by following the procedure prescribed under IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. These Rules are available on the website of IEPF (www.iepf.gov.in) and Company's website www.mstcindia.co.in. The details of such dividend/ shares are also hosted on the website of the company.

Disclosure with respect to demat suspense account / unclaimed suspense account as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sl.No.	Particulars	No. of Shareholders	No. of Equity Shares
a)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as on 1 st April, 2025	40	1,99,775
b)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	2	1200
c)	Number of shareholders to whom the shares were transferred from the Unclaimed Suspense Account during the year.	2	1200
d)	Number of shareholders whose unclaimed dividends were transferred to the IEPF account in terms of Ministry of Corporate Affairs General Circular No. 12/2017 dated 16 th October, 2017.	-	-
e)	Aggregate number of shareholders and the outstanding Shares lying in the Unclaimed Suspense Account as on 31 st March, 2026. Note: MSTC Limited issued Bonus Shares in the year 2018-19 and allotted the shares on 11/01/2019 to the shareholders who were holding shares in the demat mode. However, the bonus shares pertaining to the shareholders who were holding shares in physical mode were transferred to "MSTC Limited Unclaimed Suspense Account". Balance in "MSTC Limited Unclaimed Suspense Account" is shown.	38	1,98,575
f)	It is hereby confirmed that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

(G) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name & Address	Stock Code
BSE Limited P.J. Towers, Dalal Street, Fort Mumbai- 400001	542597
National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051	MSTCLTD

(H) Registrar to Issue and Share Transfer Agents:

The Board of Directors of the Company have appointed M/s. Bigshare Services Private Limited as the Registrar and Share Transfer Agent (RTA) of the Company in place of M/s Alankit Assignments Limited for a period of five years w.e.f 1st June, 2025. The details of new RTA is given below:

Bigshare Services Private Limited

S6-2, 6th Floor, Pinnacle Business Park,

Near Ahura Centre, Mahakali Caves Road,

Andheri (East), Mumbai- 400 093

Tel: 022-62638300/ 022-62638399

E-mail: Bss.transactions@bigshareonline.com

Website: www.bigshareonline.com

SEBI Registration No.: INR000001385

Investor Grievance Email: vinod.y@bigshareonline.com

Investor Grievance Tel: 022 6263 8200

Link to register Investor Grievances:

<https://www.bigshareonline.com/Investorlogin.aspx>

Contact Person: Mr. Vinod Yadav

(I) Share Transfer System

The Shares of the Company are traded in dematerialized form. Shares sent for transfer are registered within stipulated period. Shares under objection are returned within the stipulated period seeking suitable rectification. The Company has a Stakeholders Relationship Committee for approving requests related to Dematerialization/ Rematerialization/ Transmission/ Splitting/ Consolidation/ Reissue of Shares Certificates etc. received from the shareholders from time to time.

(J) Dematerialization of Share and Liquidity

As on 31st March 2026, 99.80% of the Equity Shares are held in dematerialized form with NSDL and CDSL. The details are as under:

Form	No. of Shares	Percentage (%)
Held in Dematerialized form in CDSL	1,05,26,234	14.95
Held in Dematerialized form in NSDL	5,97,33,066	84.85
Held in Physical Form	1,40,700	0.20

(K) Listing Fees

Annual Listing fees for the year 2025-26, as applicable, have been paid to the Stock Exchanges.

(L) Stock Market Information

The shares of the Company are listed with BSE and NSE with effect from 29th March, 2019.

(M) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity – NIL

(N) CIN of the Company: L27320WB1964GOI026211

(O) Demat ISIN No: INE255X01014

(P) Address for Communication:

For any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change of address, non-receipt of annual report, dividend warrant and any other query relating to the company, the investors may please write to the following address:

The Company Secretary & Compliance Officer

MSTC Limited

Plot no.CF-18/2, Street No.175, Action Area 1 C,

New Town, Kolkata – 700156, West Bengal, India

Tel: +91-33- 2340-0000, Email: cssectt@mstcindia.in

(Q) Plant locations:

In view of the nature of the Company's business viz. E-Commerce and IT Enabled Services the Company operates from various offices in India.

CORPORATE GOVERNANCE REPORT

61st ANNUAL REPORT 2025-26

(R) Top ten shareholders as on 31st March, 2026.

Sl.No.	Name of Shareholders	No. of Shares held	% of Total Shareholding
1.	President of India	4,55,80,800	64.7455
2.	Jupiter India Fund	12,10,034	1.7188
3.	The New India Assurance Company Limited	6,17,449	0.8771
4.	The Jupiter Global Fund- Jupiter India Select	4,17,718	0.5933
5.	Texmaco Infrastructure & Holdings Limited	3,75,000	0.5327
6.	Wisdomtree Emerging Markets High Dividend Fund	3,64,276	0.5174
7.	MSTC Limited Unclaimed Suspense Account	1,98,575	0.2821
8.	Marwadi Chandarana Intermediaries Brokers Private Limited	1,91,140	0.2715
9.	LICI Asm Non Par	1,60,194	0.2275
10.	Stock Planet Private Limited	1,48,000	0.2102

S) Distribution of Shareholding by Size as on 31st March, 2026.

Category (Shares)		Shareholders		Number of Shares	
From	To	Number	%	Number	%
1	5000	89492	94.63	59388460	8.44
5001	10000	2641	2.79	20344720	2.89
10001	20000	1201	1.27	17884450	2.54
20001	30000	420	0.44	10714470	1.52
30001	40000	192	0.20	6807720	0.97
40001	50000	149	0.16	6936610	0.99
50001	100000	234	0.25	16936820	2.41
100001	ABOVE	244	0.26	564986750	80.25

(T) List of All Credit Rating Obtained by the Company:

(i) Credit Rating by CARE Ratings Limited:

Sr. No.	Particulars	Amount (₹ in Lakhs)	Rating Agency	Rating
1.	Long Term bank facilities	1,000	CARE Ratings Limited	CARE BBB+; Stable (triple B Plus; Outlook : Stable)
2.	Short Term bank facilities	10,000	CARE Ratings Limited	CARE A2 (A Two)
	Total	₹ 11,000		

(ii) Credit Rating by Acuite Ratings & Research Limited:

Sr. No.	Particulars	Amount (₹ in Lakhs)	Rating Agency	Rating
1.	Long Term facilities	1,000	Acuite Ratings & Research Limited	ACUITE A+ (Outlook : Stable)
2.	Short Term facilities	10,000	Acuite Ratings & Research Limited	ACUITE A1+
	Total	₹ 11,000		

(U) Loans and Advances to the firms/companies in which directors are interested:

There are no Loans and advances given by the Company in the nature of loans to firms/ companies in which directors are interested.

(V) Disclosure in Relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details regarding disclosure in Relation to the Sexual

Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given under Human Resource Development section of Board's Report.

(W) Disclosure of certain of agreements binding on the Company:

There were no Agreements entered during the year which impacts the management/ control of the listed entity or imposes any restrictions or creates any liability upon the listed entity.

For & on behalf of the Board of Directors

Sd/-

(Manobendra Ghoshal)

Chairman and Managing Director

[DIN : 09762368]

Place: New Delhi

Date: May 29, 2026

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
MSTC Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of MSTC Limited ('the Company'), to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended **31st March, 2026** and to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee;
 - (i) Significant changes in internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: New Delhi
Date : May 29, 2026

Sd/-
(Subrata Sarkar)
Director (Finance) & CFO
[DIN : 08290021]

Sd/-
(Manobendra Ghoshal)
Chairman & Managing Director
[DIN : 09762368]

CMD'S CERTIFICATION

I declare that the Model Code of Business Conduct and Ethics for Board Members and Senior Management issued by the Government of India, Ministry of Heavy Industries and Public Enterprises, SEBI and other authorities was adopted by the Board of Directors of the company and all the Board Members and Senior Management have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2026.

Place: New Delhi
Date: May 29, 2026

For & on behalf of Board of Directors
Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
[DIN : 09762368]

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Members of
MSTC Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MSTC Limited having CIN: L27320WB1964GOI02621I having registered office at Plot no.CF-18/2, Street No.175, Action Area I C Newtown, Kolkata, West Bengal, India, 700156 (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN)) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2026** have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India ('SEBI'), Ministry of Corporate Affairs ('MCA') or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of cessation in the Company
1	Mr. Manobendra Ghoshal	09762368	01/01/2024	N.A.
2	Mrs. Bhanu Kumar	07982360	10/10/2017	N.A.
3	Mr. Subrata Sarkar	08290021	01/12/2018	N.A.
4	Mr. Ramesh Kumar Soni	09399355	15/04/2025	15/04/2026
5	Mr. Chandra Shekhar Baghel	11111187	29/05/2025	N.A.
6	Mrs. Alka Chandrakar	11111923	29/05/2025	N.A.
7	Mrs. Sudershan Mendiratta	11152018	12/06/2025	N.A.
8	Mr. Ashwini Kumar	07598593	28/03/2023	12/06/2025
9	Mr. Vinod Kumar Tripathi	10711675	18/07/2024	12/06/2025

The Company being a Government Company, all the Directors on its Board viz. Functional Directors, Government Nominee Directors and Independent Directors are selected and appointed by the Government as per a well laid down process for each category of Directors.

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

For Mehta and Mehta
Company Secretaries
(ICSI Unique Code P1996MH007500)
Sd/-
(Raveena Dugar Agarwal)
Partner
C.P. No.: 26055, ACS: 51836
UDIN: A051836H000429356
PR No.: 7281/2025

Place : Kolkata
Date : May 21, 2026

CORPORATE GOVERNANCE CERTIFICATE

Pursuant to Clause (i) of point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To
the Members of
MSTC Limited**

We have examined the compliance of conditions of Corporate Governance by MSTC Limited, for the year ended 31st March, 2026 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 except the following:

- a) The composition of the Board was not in compliance with Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015, as the number of Non-Executive Directors on the Board was less than 50% up to April 14, 2025.
- b) The Company did not have an Independent Woman Director on the Board up to May 28, 2025, resulting in non-compliance with Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015.
- c) During the period from April 01, 2025 to April 14, 2025 the Company had no Independent Director on the Board, resulting in non-compliance with Regulation 17(1)(a) of the SEBI (LODR) Regulations, 2015.
- d) The number of Independent Directors on the Board was less than one-half of the total strength of the Board, thereby resulting in non-compliance with Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015 during the year under review.
- e) The strength of the Board was less than six directors up to April 14, 2025, resulting in non-compliance with Regulation 17(1)(c) of the SEBI (LODR) Regulations, 2015 till such date.
- f) During the period from April 01, 2025 to April 15, 2025, the Company had no Independent Director on the Board. Consequently, the Audit Committee (Regulation 18 of SEBI LODR Regulations, 2015), Nomination and Remuneration Committee (Regulation 19 of SEBI LODR Regulations, 2015), Stakeholders Relationship Committee (Regulation 20 of SEBI LODR Regulations, 2015), Risk Management Committee (Regulation 21 of SEBI LODR Regulations, 2015) and Corporate Social Responsibility Committee (Section 135 of the Companies Act, 2013) were not duly constituted during the aforesaid period. Accordingly, the Company was not in compliance with the aforesaid provisions of the SEBI LODR Regulations, 2015 and the Companies Act, 2013.
- g) During the period from April 16, 2025 to May 29, 2025, the composition of the Audit Committee was not in compliance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires the Audit Committee to comprise a minimum of three directors with two-thirds of the members being Independent Directors. The non-compliance arose due to non-appointment of Independent Directors.
- h) During the period from April 16, 2025 to May 29, 2025, the composition of the Nomination and Remuneration Committee ("NRC") was not in compliance with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia requires the NRC to comprise at least three directors, all of whom shall be non-executive directors, with at least two-thirds being Independent Directors. The non-compliance arose due to non-appointment of Independent Directors.

- i) In the Audit Committee Meeting held on May 29, 2025, only one Independent Director was present. Accordingly, the quorum requirement prescribed under Regulation 18(2)(b) of the SEBI (LODR) Regulations, 2015 read with Regulation 18(3)(b), which requires a minimum of two-thirds of the members of the Audit Committee to be present with at least two Independent Directors, was not complied with.

We state that in respect of Investor's grievances received during the financial year ended on 31st March, 2026, no Investor grievance was pending for period exceeding one month against the Company as per the records maintained by the Company.

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

**For Mehta and Mehta
Company Secretaries
(ICSI Unique Code P1996MH007500)
Sd/-
(Raveena Dugar Agarwal)
Partner
C.P. No.: 26055, ACS: 51836
UDIN: A051836H000429257
PR No.: 7281/2025**

**Place : Kolkata
Date : May 21, 2026**

Annexure: III

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L27320WB1964GOI026211
2.	Name of the listed entity	MSTC LIMITED
3.	Year of incorporation	1964
4.	Registered Office address	Plot No. CF-18/2, Street No. 175, Action Area 1C, New Town, Kolkata – 700156, W.B
5.	Corporate Office address	J-500, 5thFloor, Tower-J, World Trade Centre, Nauroji Nagar, New Delhi – 110029
6.	E-mail	cssectt@mstcindia.in
7.	Telephone	033-23400000
8.	Website	www.mstcindia.co.in
9.	Financial year for which reporting is being done	FY 2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up capital	INR 70,40,00,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ajay Kumar Rai Designation: Company Secretary & Compliance Officer Telephone number: 033- 2340 0006 e-mail id: csmstc@mstcindia.in
13.	Reporting boundary - The disclosures in this report are presented on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the reporting entity and all entities included in its consolidated financial statements)	Standalone
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/Services:

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Professional, Scientific and Technical	Other professional, scientific and technical activities: E-Auction, E-Procurement and Software Solutions	93.11
2.	Support service to Organisations	Other support services to organisations: Procurement against 110% Bank Guarantee	6.89

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Services provided for a fee (Service charge)	4610	89.60
2.	Other online contents nec (Registration fees)	6209	3.91

III. Operations:

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	Nil	21	21
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	18
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

MSTC customers participate in auctions across 3 primary categories: Traders, Core Consumers and Non Core Consumers.

Core Consumer Group :

The Core Consumer Group comprises high priority entities. They include:

- **Government & Public Sector:** Central and State Government departments, along with Central and State PSUs
- **Institutional Bodies:** Banks and other statutory organizations.
- **Private Industry Leaders:** Major corporations within the Telecom, Oil & Gas, Construction, Power, and Steel sectors.

Non-Core Consumer Group:

This segment includes small organizations, MSMEs, private and proprietorship firms, individual buyers, and furnaces.

IV. Employees

20. Details as on the close of the Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male*		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	289	244	84.43%	45	15.57%
2.	Other than Permanent (E)	11	10	90.91%	1	9.09%
3.	Total Employees (D + E)	300	254	84.67%	46	15.33%
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total Workers (F + G)	-	-	-	-	-

***Note: Excluding CVO who is on deputation.**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

b. Differently abled employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	9	8	88.89%	1	11.11%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	9	8	88.89%	1	11.11%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	3	42.86
Key Management Personnel	4	1	25.00

22. Turnover rate for permanent employees and workers

Particulars	FY 2025-26* (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.42	1.04	3.46	3.18	2.08	5.26	2.88	6.3	9.18
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note 1: Turnover rate = (Total separations including resigned, retired, and expired) / (Total number of employees)

*Note 2: Excluding CVO who is on deputation.

Attrition rate for permanent employees and workers

Particulars	FY 2025-26* (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	1.04	0.34	1.38	1.0	0	1.0	1.64	0	1.64
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note 1: Attrition rate = (Total resignations) / (Total number of employees)

*Note 2: Excluding CVO who is on deputation.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether Holding/Subsidiary/ Associate/ Joint Venture	% of Shares Held by Listed Entity	Does the Entity indicated at Column A, participate in the Business Responsibility initiatives of the Listed Entity? (Yes/No)
1.	Mahindra MSTC Recycling Private Limited	Joint Venture	50	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹) – ₹ 3,10,95,96,000

(iii) Net worth (in ₹) – ₹ 7,51,79,16,000

Note: In accordance with Section 135 of the Companies Act, 2013, the applicability of Corporate Social Responsibility (CSR) provisions for FY 2025-26 is determined based on the financial benchmarks achieved during the preceding financial year (FY 2024-25). Consequently, the Net Worth and Turnover figures cited herein refer to the audited results of FY 2024-25.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Shareholders	Yes https://www.mstcindia.co.in/Grievance/Grievance_Home.aspx	0	0	-	5	0	-
Employees and Workers	Yes https://www.mstcindia.co.in/MSTC_Static_Pages/Grievance_Static_Pages/Public_Grievance_Redressal_Cell.pdf	2	0	-	0	0	-
Customers	Yes https://www.pgportal.gov.in/	57	0	-	42	0	-
Value Chain Partners	Yes https://www.mstcindia.co.in/Grievance/Grievance_Home.aspx	0	0	-	0	0	-
Other* (please specify)	Yes https://www.mstcindia.co.in/Grievance/Grievance_Home.aspx	2	0	-	2	0	-

*Other contains miscellaneous matters related to other Govt. departments and other stakeholders.

During the Financial Year 2025-26, 61 grievances were received from both internal and external stakeholders. All 61 grievances (100%) were duly disposed of as on 31st March, 2026.

26. Overview of the entity's material responsible business conduct issues

(Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk alongwith its financial implications, as per the following format)

MSTC adopted a structured approach to materiality assessment, beginning with the identification and prioritization of key stakeholders. By engaging directly with these groups, the company identified environmental, social, and governance (ESG) concerns relevant to its specific sector and regional operations. These issues were then evaluated through a dual-lens prioritization process, incorporating feedback from stakeholders and MSTC's senior management. Issues identified as critically important by both internal leadership and external stakeholders were designated as the company's material topics.

The following issues have been identified and mapped based on their relative importance to both MSTC and its stakeholders. Their position on the materiality matrix reflects their strategic significance across the ESG spectrum:

Social (S)

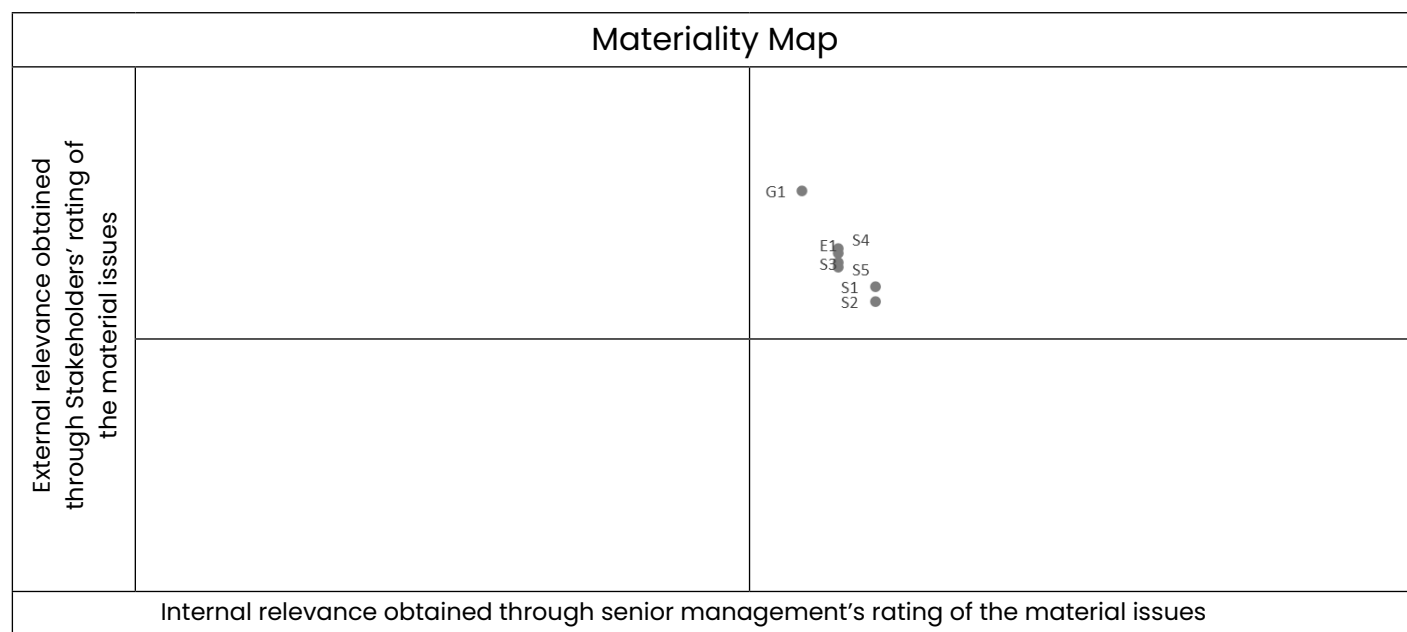
- **S1: Diversity in the Organisation** – Promoting an inclusive workforce and equal opportunity.
- **S2: Work-Life Balance** – Enhancing employee well-being and operational flexibility.
- **S3: Training, Education, and Career Progression** – Investing in continuous skill development and professional growth.
- **S4** focuses on human rights, safety, and the societal impact of the company's offerings.

Environmental (E)

- **E1: Resource Efficiency** – Optimising the use of materials and energy across business operations.

Governance (G)

- **G1: Ethics & Integrity** – Maintaining transparency and high standards of corporate conduct.



The risks determined, arises out of the material issues and they have been elaborated in the table below:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1.	Diversity in the organisation	Opportunity	MSTC views Diversity and Inclusion (D&I) as a catalyst for growth. Integrating varied perspectives leads to more robust decision-making frameworks, increased innovation, and a deeper commitment to customer-centric excellence.	NA	P
2.	Work-life balance of employees	Opportunity	MSTC recognises that work-life balance is a critical driver of organisational success. Implementing initiatives that allow employees to balance professional responsibilities with personal commitments directly enhances job satisfaction and reduces turnover, ensuring long-term operational efficiency	NA	P
3.	Training, education & career progression	Opportunity	Investing in continuous training and development is fundamental to sustaining a high-competency workforce at MSTC. By empowering employees with the latest skills and knowledge, we enhance individual job satisfaction and long-term retention. This commitment to professional growth creates a direct pathway to increased organizational productivity and superior business performance.	NA	P
4.	Resource efficiency	Opportunity	Enhancing resource efficiency lowers costs, reduces environmental impact, and strengthens stakeholder trust.	NA	P

5.	Customer privacy and data protection	Risk	Compromising customer privacy triggers reputational damage, legal sanctions, and loss of trust, leading to financial decline.	MSTC upholds the highest standards of data security through next-generation firewalls, Intrusion Prevention Systems (IPS), and SSL encryption. Our commitment to robust cybersecurity is validated by our ISO 27001:2013 certification for e-commerce operations.	N
6.	Customer complaints and feedback	Risk	Ineffective complaint management triggers negative feedback and diminishes customer trust.	MSTC is dedicated to elevating customer service standards by ensuring the prompt and effective resolution of all stakeholder concerns.	N
7.	Anti-corruption practices of the company	Risk	Failure to implement effective anti-corruption practices can lead to legal and regulatory sanctions, fines, reputational damage, and loss of customer trust, resulting in financial losses and decreased customer loyalty.	MSTC upholds high ethical standards by maintaining a zero-tolerance corruption framework, reinforced by established policies and mandatory training initiatives to ensure full regulatory compliance.	N

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and Management Processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	Visit www.mstcindia.co.in and navigate to 'Policies' under 'Menu' option for more details								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/labels(e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) or standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001: 2015	No	No	IPR (for the e-commerce site)	No	No	No	No	ISO 27001: 2022

5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	No. The Company will integrate material issues into its strategy and establish targets wherever applicable.
6.	Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	-

Governance, Leadership and Oversight

7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

MSTC remains steadfast in promoting superior corporate governance through absolute transparency and stringent ethical standards. A cornerstone of this commitment is our mandatory Integrity Pact, integrated into all contracts; this framework reflects our dedication to the ethical benchmarks recommended by Transparency International India and the Ministry of Steel.

The Indian economy maintained a robust growth momentum through the conclusion of the previous fiscal year, supported by high business and consumer confidence, consistent public investment, and moderating inflation. Despite this strength, the growth outlook remains subject to risks from prolonged geopolitical volatility and sustained high real interest rates.

ESG-Related Achievements

We have successfully scaled our performance and career development frameworks to achieve 100% participation across our entire workforce, ensuring gender-neutral growth opportunities. Furthermore, MSTC continues to uphold its 'Zero Harm' commitment, maintaining a flawless safety record with zero reportable incidents during this fiscal year.

MSTC has achieved significant progress in its human rights advocacy, expanding training coverage to 91% of our workforce this year. This represents a substantial year-on-year improvement and underscores our commitment to institutionalizing ethical conduct. We remain focused on scaling these initiatives to ensure comprehensive coverage in the coming periods.

MSTC has made significant strides in ensuring fair and equitable compensation, reflected in a balanced increase in median remuneration across all organizational levels. These adjustments underscore our commitment to pay parity and gender-neutral reward systems, ensuring our compensation framework remains competitive and inclusive.

In alignment with our commitment to community development, MSTC invested approximately ₹ 73.76 lakhs in CSR initiatives within a designated aspirational district. This funding was strategically directed toward the procurement and installation of advanced medical equipment for a charitable blood bank, significantly enhancing healthcare accessibility in the region.

MSTC has significantly strengthened its ESG governance framework, achieving substantial improvements in the transparency, availability, and accuracy of sustainability data. We remain committed to regulatory excellence, maintaining rigorous internal controls to ensure absolute adherence to all legal and statutory requirements.

Challenges and Threats

GeM Portal Impact: The government's mandate prioritizing the GeM Portal for public procurement presents a strategic challenge to our traditional e-procurement vertical. This shift has moderated our market exposure and narrowed the scope of work in certain procurement segments, necessitating a strategic reassessment of our service offerings in this domain.

Cybersecurity Risks: In an evolving digital landscape, MSTC remains vigilant against the persistent threat of cyber-attacks. We recognize that any breach could disrupt operations and compromise our reputation; consequently, we continue to prioritize the fortification of our cybersecurity infrastructure to safeguard our financial and operational stability.

Business Model Adaptation: The rapidly changing technological landscape requires continuous adaptation to meet new customer demands and preferences, presenting both a challenge and an opportunity for growth.

Future Outlook

Our strategic focus remains on delivering integrated, paperless, and seamless service solutions to both government and private sector organizations, directly contributing to India's digital and economic progress.

MSTC's Chandigarh Regional Office expanded our footprint in the agricultural sector by securing agreements with the Animal Husbandry Department (Govt. of UT of J&K) and Sher-e-Kashmir University (SKUAST-K). These partnerships leverage our robust E-Procurement V3 Portal to institutionalize International Competitive Bidding, driving superior governance through enhanced transparency and efficiency.

In line with our sustainability vision, we have pioneered India's first dedicated portal for End-of-Life Vehicles (ELV). This initiative is a cornerstone of our commitment to the circular economy and responsible resource management. As we navigate the evolving ESG landscape, MSTC remains dedicated to creating long-term stakeholder value through innovation, ethical conduct, and environmental stewardship.

We extend our sincere gratitude to our employees, customers, and partners for their unwavering trust. We reaffirm our commitment to the highest standards of corporate governance and sustainable growth as we move forward.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	DIN Number: 09762368 Name: Shri Manobendra Ghoshal Designation: Chairman and Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes, DIN Number: 09762368 Name: Shri Manobendra Ghoshal Designation: Chairman and Managing Director

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any Other Committee									Frequency (Annually/Half Yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Director									HY	HY	HY	HY	HY	HY	HY	HY	HY
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Director									HY	HY	HY	HY	HY	HY	HY	HY	HY

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Yes Consultivo Business Solutions Private Limited								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	All Principles are covered by the Policies.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified Principles (Yes/No)									
The entity does not have the financial/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment		Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by awareness programmes
Board of Directors (BoD)	Independent Directors	2	Familiarization program on Risk Governance & Leadership capacity building program	100%
	Non-Independent Directors	1	Familiarization program on Risk Governance	75%
Key Managerial Personnel (KMP)		2	Capacity building programme for Company Secretaries of CPSEs; Sensitisation programme on PoSH Act for Male Employees etc.	50%
Employees other than BoD and KMPs		30	Employees have undertaken trainings on iGoT, Inhouse and Outside trainings. List of Broad categories of topics covered in training enclosed as Annexure-A .	100%
Workers		No Workers	No Workers	No Workers

MSTC has done a principle-based mapping of their training programmes, the details of which are mentioned in **Annexure-B**.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/ judicial institutions in the financial year, in the following format.

[Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website]:

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

MSTC remains in strict alignment with the 'Guidelines on Corporate Governance for Central Public Sector Enterprises,' supported by robust internal mechanisms for grievance redressal and conduct management. Our operations are governed by a comprehensive framework, including the 'Conduct, Discipline, and Appeal (CDA) Rules,' which ensure the ethical and timely resolution of complaints. Furthermore, our Fraud Prevention Policy serves as a critical safeguard for the detection and reporting of irregularities, reinforcing our commitment to institutional integrity and fair dealing.

For more details, the above policy documents can be accessed at the following links:

- https://www.mstcindia.co.in/mstc_static_pages/RIA/RTIportal01/CDA%20Rules%20-%20last%20updated%2030-09-2024.pdf
- https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/FPF-MSTC.htm

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

There were no such disciplinary actions taken by law enforcement agencies for FY 2025-26 or FY 2024-25.

6. Details of complaints with regard to conflict of interest:

There were no complaints regarding conflict of interest for FY 2025-26 or FY 2024-25.

7. Provide details of any corrective action taken or underway on issues related to fine /penalties/ action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

8. Number of days of accounts payables [(Accounts payable *365)/Cost of goods/ services procured]:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
i) Accounts payable (₹ in lakhs) x 365 days	46,04,957	44,93,614
ii) Cost of goods/services procured (₹ in lakhs)	13,910	12,214
iii) Number of days of accounts payables	331	368

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments with related parties:

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. i) Purchases from trading houses (₹ in lakhs)	2,315.09	555.41
	ii) Total purchases (₹ in lakhs)	3,168.00	1,621.34
	iii) Purchases from trading houses as % of total purchases	73.08%	34.26%
	b. Number of trading houses where purchases are made from	205	139
	c. i) Purchases from top 10 trading houses (₹ in lakhs)	2,271.12	519.48
	ii) Total purchases from trading houses (₹ in lakhs)	2,315.09	555.41
Concentration of Sales	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	98.10%	93.53%
	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers /distributors to whom sales are made	-	-
Share of RPTs in	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	-	-
	a. Purchases (Purchases with related parties/ Total Purchases)	Nil	Nil
	b. i) Sales to related parties (₹ in lakhs)	27.93	35.61
	ii) Total Sales (₹ in lakhs)	36,965.66	31,096.00
	iii) Sales (Sales to related parties as % of Total Sales)	0.08%	0.11%
	c. Loans & advances (Loans & advances given to related parties/Total Loans & Advances)	Nil	Nil
	d. i) Investments in related parties (₹ in lakhs)	500	500
	ii) Total Investments made (₹ in lakhs)	500	500
	iii) Investments in related parties as % of Total Investments made	100%	100%

LEADERSHIP INDICATORS

Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
14	1. Yoga Session on International Yoga Day 2. Meditation by Brahamkumaris under Swachhata Hi Seva 2025 3. Skit Play under Vigilance Awareness Week 2025 4. Walkathon under Vigilance Awareness Week 2025 5. Shramdaan under Swachhata Hi Seva 2025 6. Drawing/Painting competition at Atal Adarsh School, Nauraji Nagar, New Delhi under Swachhata Hi Seva 2025 7. Walkathon under Rashtriya Ekta Diwas 2025 8. Workshop under Janjatiya Gourav Diwas 2025 9. Skit Play under Swachhata Pakhwada 2026 10. Swachhata Rally under Swachhata Pakhwada 2026 11. Plantation Drive under Green and Clean Belt Initiative 12. Curbing Single Use Plastic under Green and Clean Belt Initiative 13. Training Session by Art of Living under Swachhata Pakhwada 2026 14. Workshop by Brahamkumaris under Swachhata Pakhwada 2026	100%

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the same is addressed through:

- ◆ CDA Policy - https://www.mstcindia.co.in/mstc_static_pages/RIA/RTIPORTAL01/CDA_rules.pdf
- ◆ Related Party Transactions Policy - https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/newpolicy/RELATEDPARTYTRANSACTIONS.pdf
- ◆ Model Code of Business Conduct - https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/BOD/Model_code_of_business_conduct.pdf
- ◆ Code for Independent Directors - https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/Code%20of%20Indepedent%20Directors.pdf

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, as a Public Sector Undertaking (PSU), we are fully committed to the Public Procurement Policy (PPP) mandates for sourcing from MSMEs. By integrating Make-in-India initiatives, we actively prioritize local, co-located vendors and maintain a clear preference for MSMEs in our procurement processes.

b. If yes, what percentage of inputs were sourced sustainably?

Demonstrating our commitment to the Public Procurement Policy, 35.05% of our total annual procurement is currently sourced through MSMEs. We continue to exceed mandates by prioritizing co-located vendors and local enterprises under the Make-in-India initiative.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not applicable, as the Company is into e-commerce services.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable, as the Company is into e-commerce services.

LEADERSHIP INDICATORS
1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, please provide the web-link
----------	--------------------------	---------------------------------	---	---	---

Life Cycle Analysis of its services to be conducted

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same alongwith the action taken to mitigate the same.

Life Cycle Analysis of its services to be conducted.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous Waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable as the Company is into e-commerce services.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of Employees Covered by										
	Total (A)	Health Insurance ¹		Accident Insurance ²		Maternity Benefits		Paternity Benefits		Day Care Facilities ³	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	244	244	100%	244	100%	NA	NA	244	100%	79	32.38%
Female	45	45	100%	45	100%	45	100%	NA	NA	13	28.89%
Total	289	289	100%	289	100%	45	15.57%	244	84.43%	92	31.83%
Other than Permanent Employees											
Male	10	0	0	0	0	0	0	0	0	6	60%
Female	1	0	0	0	0	1	100%	0	0	0	0
Total	11	0	0	0	0	1	9.09%	0	0	6	54.55%

Note 1: Healthcare facility is provided by the company for Domiciliary as well as Hospitalization.

Note 2: Provided by the company under the company's Employees' Family Benefit Scheme.

Note 3: Currently Creche facility (day care facility) is available at Kolkata for the benefit of the employees of Registered Office and Eastern Regional Office of the Company.

b. Details of measures for the well-being of workers: Not Applicable

Category	% of Workers Covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent):

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
i) Cost incurred on wellbeing measures (well-being measures means well-being of employees and workers including male, female, permanent and other than permanent employees and workers) (₹ in lakhs)	949.21	865.00
ii) Total revenue of the company (₹ in lakhs)	36,965.66	31,096.00
iii) Cost incurred on well-being measures as a % of total revenue of the company	2.57%	2.78%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	NA	NA	NA	NA	NA	NA
Others – <i>please specify</i> Post-Retirement Medical Benefit and Pension	100%	NA	Y	100%	NA	Y

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:

Yes, In alignment with accessibility standards, all owned offices are fully equipped with the necessary infrastructure to accommodate individuals using wheelchairs.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

As a Public Sector Undertaking—strictly adheres to the core principles of equality and non-discrimination across all facets of its operations and business dealings.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	100%	–	–
Female	100%	100%	–	–
Total	100%	100%	–	–

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	No Permanent Workers employed in the organization
Other than Permanent Workers	No other than Permanent Workers employed in the organization
Permanent Employees	There is a Public Grievance Redressal Cell for permanent employees
Other than Permanent Employees	Centralized Public Grievance Redress and Monitoring System CPGRAMS is a 24/7 online platform that empowers citizens to lodge grievances regarding service delivery with any public authority. Functioning as a centralised hub, it connects all Government of India Ministries, Departments, and State Governments through specialised, role-based access. Beyond the web portal, citizens can access these services via standalone mobile applications on the Google Play Store or through the integrated UMANG app. Additionally, the Company utilizes the MSTC Portal as a dedicated channel for managing public grievances.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	289	46	15.92%	299	46	15.38%
♦ Male	244	40	16.39%	251	40	15.94%
♦ Female	45	6	13.33%	48	6	12.50%
Total Permanent Workers	NA	NA	NA	NA	NA	NA
♦ Male	NA	NA	NA	NA	NA	NA
♦ Female	NA	NA	NA	NA	NA	NA

*The figures are as per return filed with the Registrar of Trade Union as of the end of the calendar year.

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	244	180	73.77%	244	100%	261	15	5.75%	227	86.97%

Female	45	32	71.11%	45	100%	49	3	6.12%	40	81.63%
Total	289	212	73.36%	289	100%	310	18	5.81%	267	86.13%

Workers

Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	244	244	100%	261	261	100%
Female	45	45	100%	49	49	100%
Total	289	289	100%	310	310	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity?(Yes/No). If yes, please specify the coverage of such a system?

Yes, The Company maintains a robust Health and Safety Management System that ensures 100% coverage of our workforce. We are committed to upholding the highest safety standards across all operations to safeguard the well-being of every employee.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Work-related hazards are identified through routine inspections conducted by facility management personnel. This proactive approach ensures that unsafe conditions—such as electrical risks or slip, trip, and fall hazards—are immediately addressed and rectified. Furthermore, comprehensive health and safety assessments are mandatorily performed prior to the commencement of any maintenance activities.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, The Company maintains an open reporting culture where any individual is empowered to report unsafe conditions to the facility management, maintenance team, or their immediate supervisor. This policy ensures that personnel can proactively mitigate risks and protect themselves from potential harm.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, MSTC recognises that the holistic health and well-being of its workforce are the cornerstones of organisational resilience. Moving beyond mere compliance, the Company proactively facilitates access to comprehensive non-occupational medical and healthcare services. As a leader in the e-commerce sector, MSTC integrates physical and mental health safeguards into its core operational strategy, fostering a supportive environment that prioritises the person as much as the professional.

This commitment to care is lifelong; MSTC extends post-retirement medical benefits to its former employees. By securing healthcare support beyond their active years of service, the Company ensures long-term financial and physical peace of mind, reflecting a deep-seated gratitude for their years of contribution.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

MSTC's dedication to welfare and safety extends far beyond its internal perimeter. The Company views its supply chain as an extension of its values. By formally communicating its stringent standards for Human Rights and Health & Safety to all supplier firms, MSTC ensures that its business partners operate with the same level of accountability.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NA	NA
No. of fatalities	Employees	NIL	NIL
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NA	NA

There were No incidents reported at any of the locations of the company.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

MSTC is dedicated to maintaining a safe and healthy workplace through comprehensive risk mitigation and well-being initiatives. To foster a robust safety culture, the Company conducts regular training on fire safety and emergency protocols, ensuring all personnel are prepared for unforeseen events. Additionally, proactive preventive maintenance of machinery and equipment is prioritised to ensure optimal functioning and minimise hazards. MSTC also provides essential emergency resources, such as on-site wheelchairs and stretchers, for immediate medical support. Collectively, these measures reinforce our commitment to a secure and responsible working environment.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

There were No complaints from employees in this financial year or the previous financial year on working conditions and Health & Safety.

14. Assessments for the year:

Assessment Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

*Assessment by our internal team

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

There is no corrective action required as no concerns/issues have been identified and no incidents have occurred.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes, The Company provides extensive healthcare and financial security benefits to its workforce. This includes medical reimbursement for both domiciliary and hospitalization treatments, extended to both active and retired employees. Furthermore, all personnel are covered under the Employee's Deposit-Linked Insurance (EDLI) Scheme, 1976. To provide additional security, the Employees Family Benefit Scheme offers critical financial support to employees in the event of permanent total disablement, or to their families in the event of an untimely demise during their service.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

MSTC maintains rigorous oversight to ensure that all statutory obligations within its value chain are fulfilled without exception. The Company employs a stringent verification process where contractor invoices are approved only upon the submission of documented proof regarding Provident Fund (PF), Employee State Insurance (ESI), and other mandatory dues. By enforcing this zero-tolerance policy, MSTC safeguards stakeholder interests and ensures that its partners operate with the same level of legal and ethical integrity. This proactive financial management reflects MSTC's unwavering commitment to regulatory compliance and corporate accountability.

3. Provide the number of employees/workers having suffered high-consequence work-related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Not applicable, as there were no employees/workers who have suffered any forms of work-related injury/illness.

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

No

5. Details on assessment of value chain partners:

Nil

Assessment Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	–
Working Conditions	–

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

MSTC maintains a proactive oversight mechanism to address health, safety, and working condition risks within its value chain. By implementing rigorous standards at the administrative and operational levels, the Company ensures immediate corrective action and prompt intervention upon the identification of any hazards. This systematic approach prioritises the well-being of all stakeholders and reinforces a culture of safety throughout our external partnerships.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder Identification & Engagement Methodology

MSTC employs a systematic, four-stage approach to identify and engage stakeholders for its materiality assessment:

1. Scoping & Framework Alignment: The materiality assessment begins by defining the scope, focusing on issues with significant potential impact on MSTC's operations, reputation, and value chain. This process is strictly guided by the global standards of the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI).

2. Internal Stakeholder Mapping: The Company identifies key internal parties with direct operational ties, including employees, management, and shareholders, whose interests are central to organisational performance.
 3. External Stakeholder Identification: MSTC identifies external groups impacted by or possessing an influence over its activities. This group includes customers, suppliers, regulatory bodies, and the local communities in which the Company operates.
 4. Strategic Prioritisation: Stakeholders are evaluated and prioritised based on their level of interest and degree of influence over MSTC's operations. This prioritisation ensures that the subsequent engagement process is focused on the most relevant perspectives.
- 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Written communications like E-mail, Circulars, Office Orders, Inter-office Memos, Notice Board, PNA Portal, Physical and Virtual, etc.	Event based	Communication of decision, implementation of rules, conduction of events, etc.
Customers	No	Emails, SMS, Advertisement, Notice Board, Website	On regular basis	Hand holding for Registration, System Settings, Event related queries & solutions and information exchange
Investors and Shareholders	No	Website, Newspaper, Through Stock Exchange, Email and post Investor Meet	Quarterly as well as on occurrence of specific events	Financial Results, Dividend, Material Information, General Meetings, Information to the shareholders
Suppliers (general)	No	Email, Meetings, Websites, Letters, Designated Web Portal	On regular basis	Procurement of goods/ services
Suppliers (systems)	No	Email/Physical Meetings/VC Meetings	On regular basis during procurement/ AMC /Support	Estimated price/ alternate solution/ negotiation
Media	No	Website, Television and Print Media	Event based	Statutory notice, tender notice, financial reporting as compliance of various rules and regulations, display advertisement/ brand building, awareness programmes, corporate events
Statutory Authorities	No	Website, E-filing, Physical Submission	Event based	Compliance of various rules and regulations
Communities	Yes	Newspaper, Email	Event based	CSR-initiatives, Awareness Programmes, participation in social events

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

MSTC operates on the principle that proactive, transparent communication with key stakeholders is fundamental to articulating its long-term strategy and performance. This consistent engagement serves as a vital feedback loop, allowing the Company to align its service delivery with evolving stakeholder expectations. Furthermore, the Board of Directors remains actively involved in this process, receiving regular updates on stakeholder developments to provide strategic oversight and guidance.

Beyond routine interactions, the Company recently concluded a targeted Stakeholder Engagement Exercise. The prioritised concerns identified through this initiative were synthesised into a formal report for Management and Board review. These critical issues have been integrated into the Company's Materiality Matrix, ensuring that stakeholder-driven insights directly inform MSTC's future strategic actions and sustainability commitments.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the company has engaged with its stakeholders to identify the material topics for itself. The outcome is disclosed in this report which will be further utilised and linked with the Company's long term strategy.

3. Provide details of instances of engagement and actions taken to address the concerns of vulnerable marginalised stakeholder groups.

The Company's CSR activities focus on the Tribals, backward, vulnerable and marginalised segments of society. Kindly refer to the CSR Report given separately in the Annual Report.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of Employees/ Workers covered (B)	% (B/A)	Total (C)	No. of Employees/ Workers covered (D)	% (D/C)
Employees						
Permanent	289	274	94.81%	299	125	41.81%
Other than Permanent	11	0	0	11	0	0
Total Employees	300	274	91.33%	310	125	40.32%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

2. Details of minimum wages paid to employees and workers:

Category	Total (A)	FY 2025-26 Current Financial Year				FY 2024-25 Previous Financial Year				
		Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	289	0	0%	289	100%	299	0	0%	299	100%
-Male	244	0	0%	244	100%	251	0	0%	251	100%
-Female	45	0	0%	45	100%	48	0	0%	48	100%
Other than Permanent	11	0	0%	11	100%	11	0	0%	11	100%
-Male	10	0	0%	10	100%	10	0	0%	10	100%
-Female	1	0	0%	1	100%	1	0	0%	1	100%
Workers										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (in Lakhs INR)	Number	Median remuneration/ salary/wages of respective category (in Lakhs INR)
Board of Directors (BoD)	2	109.43	1	113.78
Key Managerial Personnel	1	64.70	-	-
Employees other than BoD and KMP	241	33.25	44	33.25
Workers	NA	NA	NA	NA

b. Gross wages paid to female employees as % of total wages paid by the entity:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to female employees as % of total wages	15.97 %	16.05 %

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. MSTC has a central grievance cell that looks at and responds to the human rights related or other grievances of its stakeholders. The committee has the following members:

1. Shri A Mahalanabis, GM (Coordination)
2. Shri Debasis Ghosal, Addl. GM (Law)
3. Shri Ratikant Pradhan, DGM (F&A)

5. Describe the internal mechanisms in place to address grievances related to human rights issues.

MSTC has strong internal systems to handle human rights complaints. These systems ensure that all issues are resolved quickly and effectively.

The company has specific policies for human rights. It reviews these policies regularly to show its commitment to these important principles.

Stakeholders can easily report their complaints through MSTC's own public grievance portal. They can also use a government citizen portal called CPGRAMS to seek a resolution.

By providing these platforms, MSTC shows its commitment to transparency and accountability. The company fixes problems quickly to respect and protect human rights across all of its operations.

6. Number of complaints on the following made by employees and workers:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	0	0	-	3	1*	-
Discrimination at workplace	2**	0	-	1**	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

* The matter was closed in June 2025 as per recommendation of Internal Complaints Committee.

** The matters have been duly replied to the concerned Bodies.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	3
Complaints on POSH as a % of female employees/workers	0	6.12%
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Employees can contact the Competent Authority if they notice improper practices, wrongful conduct, or illegal activities in the company. They must make these reports in good faith.

The Public Grievance Redressal policy strictly stops managers from taking unfair action against these employees. It also protects directors and employees from being targeted or mistreated for speaking up. In exceptional cases, individuals can report their concerns directly to the Chairman of the Audit Committee.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the contracts drawn by the Company for outsourcing jobs include compliance with statutory Acts and Labour Law provisions.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%*
Forced/involuntary labour	100%*
Sexual harassment	100%**
Discrimination at workplace	100%*
Wages	100% (Internal Audit)*
Others – please specify	100% (CAG Audit)*

*Assessment by Entity. No complaints in the above aspects were received

**Assessment by the entity based on reports from the Internal Complaints Committee under POSH Act 2013

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

No risks have been identified and there is no requirement of corrective action.

LEADERSHIP INDICATORS
1. Details of a business process being modified/introduced as a result of addressing human rights grievances /complaints.

Currently, the company has not changed or introduced any business processes because of human rights complaints.

2. Details of the scope and coverage of any human rights due-diligence conducted.

Nil.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at Workplace	-
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

The company has not identified any risks. Therefore, no corrective action is needed.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
ESSENTIAL INDICATORS
1. Details of total energy consumption (in Joules or multiples) and energy intensity:(Considered in Gigajoules)

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	82	79.80
Total fuel consumption (B)	0	0.00
Energy consumption through other sources (C)	0	0.00
Total energy consumption (A+B+C) GJ	82	79.80
From non-renewable sources		
Total electricity consumption (D)	4450	3766.70
Total fuel consumption (E)	158	135.00
Energy consumption through other sources (F)	0.00	0.00
Total energy consumption (D+E+F)	4608	3901.70
Total energy consumed (A+B+C+D+E+F)	4690	3981.50
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees) (GJ/₹)	0.0000012687	0.0000012804
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (GJ/₹-adjusted for PPP)	0.0000258	0.0002571
Energy intensity in terms of physical output	-	-
Energy intensity (<i>optional</i>) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in Kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

(iv) Seawater/desalinated water	--	--
(v) Others	4050	4185
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4050	4185
Total volume of water consumption (in kilolitres)	4050	4185
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) Litres/ Rs	0.0000010956	0.0000013458
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	0.00002229	0.00027022
Water intensity in terms of physical output	--	--
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

* The water is estimated based on the number of employees. Water consumption per employee reference is from Estimation of water requirement for drinking and domestic use (Source: NBC 2016, BIS) Central Ground Water Authority Jam Nagar House, New Delhi. 45 litres /head for 8 Offices (including canteen).

MSTC's operations primarily involve e-commerce services for government tenders and are not water-intensive. Our head office is located in a region where water is supplied by the municipality at no cost, and as such, water usage is not tracked or billed. Given the nature of our services, the water consumption by MSTC is expected to be minimal and not significant to our overall environmental impact. The water consumption has been estimated based on the mentioned reference and updated for the previous year also.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

– No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment – specify level of treatment		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment – specify level of treatment		
(iii) To Seawater	NA	NA
- No treatment		

- With treatment – specify level of treatment		
(iv) Sent to third-parties	NA	NA
- No treatment		
- With treatment – specify level of treatment		
(v) Others		
- No treatment	3240	3348
- With treatment – specify level of treatment		
Total water discharged (in kilolitres)	3240	3348

*According to NITI Aayog's Urban Wastewater Scenario in India report (August 2022), nearly 80% of the water supplied in urban areas returns to the ecosystem as wastewater. The water discharge has been estimated based on the mentioned reference and updated for the previous year also.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No, the entity has not implemented a mechanism for Zero Liquid Discharge.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	NA	-	-
SOx	NA	-	-
Particulate matter (PM)	NA	-	-
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – please specify	NA	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	11.06	8.50
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	877.64	760.66
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent per ₹	0.0000002404	0.0000002474

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Metric tonnes of CO ₂ Equivalent per ₹ adjusted for PPP	0.000004891	0.000049663
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No Project as the Company is into e-commerce service.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	1.07	0.075
E-waste (B)	3.38	0.182
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	--	--
Battery waste (E)	1.2	2.12
Radioactive waste (F)	NA	NA
Other hazardous waste. Please specify, if any. (G) – Waste Oil	0.00	0.45
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	7.07 (1.87 MT paper 5.2 MT Approx. Furniture consisting of wooden and metal)	1.1 (1 MT paper waste) + (0.1 MT furniture consists of wooden and metal)
Total (A + B + C + D + E + F + G + H)	12.72	3.927
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.0000000034	0.0000000013
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	0.0000000070	0.0000000254
Waste intensity in terms of physical output	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	NIL	NIL
(ii) Reused	NIL	NIL

(iii) Other recovery operations	NIL	NIL
Total	--	--
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	NIL
(ii) Landfilling	Nil	NIL
(iii) Other disposal operations	12.72	3.927
Total	12.72	3.927

Mostly not applicable as the Company is into e-commerce service.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The hazardous waste is sold only to vendors having license from CPCB/SPCB.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
---------	--------------------------------	--------------------	---

Not Applicable

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-----------------------------------	----------------------	------	---	--	-------------------

Not Applicable

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
---------	---	---------------------------------------	---	---------------------------------

Not Applicable

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable

For each facility/plant located in areas of water stress, provide the following information:

- Name of the area
- Nature of operations

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--
(iv) Seawater/desalinated water	--	--
(v) Others	--	--
Total volume of water withdrawal (in kilolitres)	--	--
Total volume of water consumption (in kilolitres)	--	--
Water intensity per rupee of turnover (Water consumed/turnover)	--	--
Water intensity (optional) – the relevant metric may be selected by the entity	--	--
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(ii) Into Groundwater	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iii) Into Seawater	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(iv) Sent to third-parties	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
(v) Others	--	--
- No treatment	--	--
- With treatment – specify level of treatment	--	--
Total water discharged (in kilolitres)	--	--

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives:

Not Applicable

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

MSTC maintains a comprehensive Business Continuity Management Plan (BCMP), rooted in a rigorous Business Impact Analysis (BIA). This plan defines strategic contingency options for ICT resources across the entire disruption lifecycle—before, during, and after an event. The Company has established a robust organizational structure comprising competent teams with the requisite authority to manage response and mitigation efforts. To ensure operational readiness, ICT continuity and recovery procedures are subject to regular testing and evaluation. Furthermore, these plans are widely circulated, ensuring that all relevant stakeholders are aligned with MSTC's resilience protocols.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

- Three

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce (ICC)	National
2	Confederation of Indian Industry (CII)	
3	SCOPE	

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/Half yearly/ Quarterly/ Others – please specify)	Web link, if available

Nil

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-----------------------------------	----------------------	----------------------	---	--	-------------------

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sl. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
---------	--	-------	----------	---	--------------------------	---

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

MSTC operates a dual-layered grievance redressal framework to ensure transparency and accountability. The Company maintains a proprietary portal for the systematic management of periodic complaints, complemented by a robust interface with the Centralized Public Grievance Redress and Monitoring System (CPGRAMS). Prioritising the prompt and equitable resolution of all concerns, MSTC reinforces its commitment to positive community engagement and high standards of corporate responsibility.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/small producers	35.05%	52.07%
Sourced directly from the district and neighboring districts	-	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural (population less than 10,000)	Nil	Nil
Semi-urban (population 10,000 and above and less than 1 lakh)	Nil	Nil
Urban (population 1 lakh and above and less than 10 lakh)		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) (₹ in Lakhs)	317.34	281.65
ii) Total Wage Cost (₹ in Lakhs)	10,113.49	9,383.78
iii) % of Job creation in Urban areas	3.14%	3.00%
Metropolitan (population 10 lakh and above)		
i) Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) (₹ in Lakhs)	9,796.15	9,102.13
ii) Total Wage Cost (₹ in Lakhs)	10,113.49	9,383.78
iii) % of of Job creation in Metropolitan area	96.86%	97.00%

Note: Locations are categorised as per RBI Classification System into rural, semi-urban, urban and metropolitan

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational district	Amount spent (in INR)
1.	Odisha	Raygada	30,61,000
2.	Kerala	Wayanad	43,14,900
Total			73,75,900

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No): Yes
(b) From which marginalised/vulnerable groups do you procure?
MSMEs owned by Women, SC/ST entrepreneurs.
(c) What percentage of total procurement (by value) does it constitute?
10.36%
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Nil
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Nil
6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects (per year)	% of beneficiaries from vulnerable and marginalised groups
1.	Sridham Mayapur Development Foundation Nadia – Purchase and installation of medical equipment for General Operation Theatre and Ophthalmology for NGO run Community Hospital.	40,000	100
2.	Institute of Child Health Trust Kolkata – Purchase and installation of medical equipment for OT, PICU, NICU, Molecular Biology for NGO run Child Hospital.	4,00,000	100
3.	Medical Research Foundation (Sankara Nethralaya), Newtown – Purchase and installation of Medical Equipment for treatment of cornea disorder for NGO run Eye Hospital.	900	100
4.	Kalyanam Karoti, Mathura – Purchase and installation of Lumera I Ophthalmic equipment for enhancing the quality and precision of eye surgeries at Kalyanam Karoti Eye Institute Mathura.	50,000	100
5.	Shakti Social Cultural and Sporting Organisation, Raygada – Purchase and Installation of Smart Class in 10 Nos. Upper Primary Schools in Raygada District. (Aspirational District)	1000	100
6.	The Akshaya Patra Foundation, Odisha – Providing Mid-day Meal for Children in 186 Govt. Schools in Bhubaneshwar & Nayagarh District, Odisha	2000	100

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

61st ANNUAL REPORT 2025-26

7.	Swami Vivekananda Medical Mission, Wayanad – Purchase and Installation of advanced diagnostic and dental equipment for the hospital run by Vivekananda Medical Mission (Aspirational District)	80,000	100
8.	Sankar Foundation, Visakhapatnam – Purchase and installation of Optical Biometer for eye hospital run by Sankar Foundation.	2400	100
9.	Parichay Foundation, Delhi – Purchase and installation of 100 Desktop Computers for 20 Nos. Girls' School in Khordha District, Odisha.	2000	100
10.	Provincial Co Operative Construction and Development Limited, Shahjahanpur – Purchase and Installation of 33 Nos. of High Mast Solar Lights at different locations of district Shahjahanpur, Uttar Pradesh	2675	100
11.	PM CARES Fund	-	-

Note: Impact Assessment is not mandatorily applicable to MSTC, as a result number of actual beneficiaries cannot be derived for various projects undertaken by company. However, number of estimated beneficiaries is given.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

MSTC ensures transparency by hosting its comprehensive customer and supplier policies on its official website. To uphold stakeholder accountability, the Company provides dual pathways for grievance redressal: a dedicated internal public grievance portal and the national Centralized Public Grievance Redress and Monitoring System (CPGRAMS). All submissions are systematically managed by a specialized Grievance Cell to ensure timely resolution. Furthermore, MSTC proactively monitors service quality through multi-channel (online and offline) Client Satisfaction Surveys. Insights gained from these assessments are used to implement strategic enhancements to the e-commerce experience, with key performance metrics detailed under the Leadership Indicators of Principle 9.

2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental & social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial year)			FY 2024-25 (Previous Financial year)		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Other	61	0	-	42	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink of the policy.

Yes. The MSTC Security Policy Statement is available on the main website. You can find it at this link: https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/Security%20Policy%20Statement.pdf

The security policy statement is also available on our e-commerce site. You can find it under the "Security Policy" link at <https://www.mstcecommerce.com/>

Please also note that the MSTC e-commerce system is ISO 27001:2022 certified. This means it meets high standards for its Information Security Management System. STQC provided this certification.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products /services.

There were no reported incidents or open issues on the matter of cyber security or data privacy.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches
 - Percentage of data breaches involving personally identifiable information of customers
 - Impact, if any, of the data breaches
- There were no reported data breaches.

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Below are the official websites where information on products and services of the entity can be accessed:

<https://www.mstcindia.co.in/>

<https://www.mstcecommerce.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

MSTC cares deeply about protecting your personal data and privacy. We offer many learning tools on our website to help you stay safe. These tools include clear guides and helpful videos about signing up, bidding, and setting up your account. They help keep your private information and passwords secure from others.

You can easily find our Terms of Use, rules for Do's and Don'ts, and Privacy Policy online. These documents teach you the best ways to guard your business and personal details. Our helpful service desk and local staff across India also give personal advice. They are ready to teach you about safety and answer your questions.

We use many quick ways to share important updates with you. We will send you emails, text messages, and post news directly on our website. Our support team is always ready to help you. They can answer any questions you have about keeping your account safe.

You can reach our team easily by phone, email, or through our website. We also have an easy Ticket Raising System to handle your requests. All of these tools are built to help you manage your accounts and money safely on our site.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

MSTC has reliable ways to warn users about potential service disruptions or stops. As an e-commerce provider, we follow a strict Business Continuity Plan. This plan includes essential infrastructure upgrades. We carefully schedule these upgrades during set downtime periods to cause the fewest possible problems.

We always share information about planned maintenance, system upgrades, and operational changes. These changes might affect how the service works or when it is available. To stay transparent, MSTC notifies everyone about

scheduled downtime in advance. We send these alerts through email, SMS, website notices, and collaboration tools. If an unexpected disruption or stoppage happens, we promise to communicate quickly and honestly. Our dedicated customer support team is ready to answer questions and address concerns fast. They will provide regular updates and help you to reduce any inconvenience.

Through these steps, MSTC shows its commitment to open communication. We want to keep service interruptions as low as possible. This approach helps users plan and adjust their activities, which ensures a positive experience for everyone.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The information about our e-commerce services on our official websites follows our company policy. This policy applies to all clients. It covers both registered and unregistered users.

MSTC regularly checks how satisfied our clients are with our e-commerce services. We conduct these surveys both online and offline from time to time. We use the feedback to make important improvements and enhance client's overall experience.

We have made three major updates to help our users. First, we launched a ticket system so registered buyers can communicate with us clearly. Second, we made it easier for all visitors to find and view upcoming auctions on www.mstcindia.in. Finally, we upgraded the search tool on <https://www.mstcecommerce.com> so registered buyers can select multiple search options at once.

Annexure A

Sl. No	Broad categories of topics covered in training
1	Artificial Intelligence (AI) & Machine Learning
2	Cyber Security, Privacy & Data Protection
3	Financial Management, Accounting & Valuation
4	Taxation (GST, Income Tax & TDS)
5	Public Procurement, GeM & Disposal
6	Government Office Procedures, RTI & Administration
7	Conduct, Disciplinary Proceedings & Vigilance
8	Public Policy & Digital Governance
9	Leadership & Strategic Management
10	Communication & Soft Skills
11	Personal Productivity & Workplace Effectiveness
12	Emotional Intelligence & Stress Management
13	PM GatiShakti & Project Management
14	Workplace Diversity, Inclusion & Legal Rights
15	Law, Judiciary & Crime Investigation
16	Telecom, 5G & Spectrum Management
17	Digital Health Foundation Program (DHFC)
18	Health, Wellness, Yoga & Fitness
19	Sector-Specific Modules – Mining, Energy & Steel
20	Postal, Banking & Financial Schemes
21	Food, Agriculture and Civil Supplies
22	Corporate Governance & CPSE Governance
23	Labour Codes & Labour Welfare Laws
24	Emerging Technology, IT Literacy & General Engineering
25	National Schemes, Social Welfare & Environment
26	Rashtriya Karmyogi Program & Large-Scale Citizen Service
27	Jan Bhagidari Program
28	Differences in Public and Private Sector
29	Executive Development Program
30	Comprehensive Assessments of Employees

Annexure B

Principle Number and definition	Training Mapped	Reason for the Inclusion
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.	1. Financial Management, Accounting & Valuation 2. Taxation (GST, Income Tax & TDS) 3. Conduct, Disciplinary Proceedings & Vigilance 4. Corporate Governance & CPSE Governance 5. Comprehensive Assessments of Employees 6. Cyber Security & Data Protection	1. Ensures financial transparency and corporate accountability 2. Regulatory compliance and transparent fiscal reporting 3. Core ethics, anti-corruption, and behavioral integrity 4. Board-level transparency, leadership accountability, and structural oversight 5. Accountability frameworks and performance auditing 6. Safeguards corporate operations
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1. Artificial Intelligence (AI) & Machine Learning 2. Public Procurement, GeM & Disposal 3. PM GatiShakti & Project Management 4. Telecom, 5G & Spectrum Management 5. Emerging Technology, IT Literacy & General Engineering	1. Leveraging computing systems for resource optimization and smart efficiency 2. Covers life-cycle management, sustainable public procurement, and ethical asset disposal 3. Infrastructure planning aimed at structural optimization, reducing logistics friction, and multi-modal efficiency 4. Building low-latency, energy-efficient connectivity infrastructure 5. Drives transition to digital systems, reducing material waste and increasing technical efficiency
Principle 3: Businesses should promote the well-being of all employees, including those in their value chains.	1. Communication & Soft Skills 2. Personal Productivity & Workplace Effectiveness 3. Emotional Intelligence & Stress Management 4. Health, Wellness, Yoga & Fitness 5. Labour Codes & Labour Welfare Laws 6. Executive Development Program	1. Fosters a collaborative and supportive workplace culture 2. Enables professional development and capacity building 3. Directly addresses mental health and employee wellness 4. Focuses on physical health, preventative wellness, and work-life balance 5. Ensures statutory compliance with worker rights, safety, and operational welfare 6. Invests in continuous learning and managerial progression
Principle 4: Businesses should respect the interests of, and be responsive to all its stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.	1. RashtriyaKarmyogi Program & Large-Scale Citizen Service 2. Jan Bhagidari Program	1. Enhances front-line citizen interface and service delivery to public stakeholders 2. Promotes public participation, civic consultation, and collaborative democratic models
Principle 5: Businesses should respect and promote human rights.	1. Workplace Diversity, Inclusion & Legal Rights 2. Law, Judiciary & Crime Investigation	1. Ensures equal opportunity, prevents discrimination, and safeguards workplace constitutional/legal rights 2. Protects rule of law, fair trial principles, and civil liberties

Principle Number and definition	Training Mapped	Reason for the Inclusion
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	1. Sector-Specific Modules – Mining, Energy & Steel 2. National Schemes, Social Welfare & Environment	1. Targets highly carbon-intensive, extractive industries to promote sustainable operations, mitigation, and clean energy transition 2. (Shared with P8) Covers ecological conservation initiatives and environmental protection policies
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1. Government Office Procedures, RTI & Administration 2. Public Policy & Digital Governance 3. Differences in Public and Private Sector	1. Fosters institutional transparency and citizen access to data 2. Frameworks for designing and executing ethical, modern public administration 3. Understanding distinct regulatory environments and boundaries of policy execution
Principle 8: Businesses should promote inclusive growth and equitable development.	1. Food, Agriculture and Civil Supplies 2. National Schemes, Social Welfare & Environment	1. Focuses on food security, rural livelihood support, and vulnerable supply chains 2. <i>Shared with P6:</i> Targeted public welfare interventions for socioeconomic equity
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.	1. Cyber Security, Privacy & Data Protection 2. Digital Health Foundation Program (DHFC)	1. Protects user/citizen data security and upholds privacy rights 2. Ensures safe, structured delivery of foundational public healthcare values

Annexure IV
ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26
1. Brief outline on CSR Policy of the Company.

- Company has formulated a CSR Policy in line with the Companies Act, 2013 which has been recommended by duly constituted CSR Committee of the Board and approved by the Board. The policy is available at Company's website at www.mstcindia.co.in.
- The vision of the Policy is blending responsible business with inclusive growth and Sustainable Development for protecting environment, conserving resources and improving human health and education.
- Board shall constitute a CSR Committee with an Independent Director as Chairman. Nodal officers shall implement the decisions taken by the Committee. Company Secretary shall be secretary to the Committee.
- The Committee shall recommend budget, the projects to be taken up, and the method of implementation. The Committee and the Board shall ensure that at least 2% of the average Profit Before Tax (PBT) of preceding 3 years is the budget for the current year.
- Activities shall include all activities covered under Annexure to the CSR Policy of the Company which includes inter alia, items as provided under Schedule VII of the Companies Act, 2013 and DPE guidelines. Additionally, any Govt. guidelines/instructions shall be considered by the Committee/Board.
- MSTC shall also encourage collaborative projects with other PSUs, Govt. agencies, NGOs, if required, on the basis of merit of the project.

2. Composition of CSR Committee:

The details regarding Composition of CSR Committee, number of meetings held during the year and attendance records can be referred from the section of Corporate Social Responsibility (CSR) Committee in the Corporate Governance Report.

3. Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the web-site of the company on the following web-link:

- Composition of CSR committee: <https://www.mstcindia.co.in/content/BODComm.aspx>
- CSR Policy: https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/CSR/MSTC_CSR_Policy.pdf
- CSR projects: https://www.mstcindia.co.in/MSTC_Static_Pages/frontpage/CSR/CSR_Home.htm

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5.

Sl. No.	Particulars	Amount (₹ in Lakh)
a.	Average net profit of the company as per sub-section (5) of section 135	34,774.02
b.	Two percent of average net profit of the company as per sub-section (5) of section 135.	695.48
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
d.	Amount required to be set-off for the financial year, if any.	Nil
e.	Total CSR obligation for the financial year [(b)+(c)-(d)].	695.48*

* Note: The Board of Directors in its meeting held on 29th May, 2025 decided to allocate ₹ 700 lakhs as CSR Budget for FY 2025-26.

6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 7,34,63,713

b. Amount spent in Administrative Overheads: Nil

c. Amount spent on Impact Assessment, if applicable: Not Applicable

d. Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 7,34,63,713

e. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Total Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
7,00,00,213	34,63,500*	20/04/2026		NIL	

* Note: The unspent amount of two Ongoing CSR projects taken during the FY 2025-26 was transferred to Unspent CSR Account as per section 135(6) of the Companies Act, 2013.

f. Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
i	Two percent of average net profit of the company as per section 135(5)	6,95,48,000*
ii	Total amount spent for the financial year	7,34,63,713
iii	Excess amount spent for the financial year [(ii)-(i)]	39,15,713
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	39,15,713

* Note: The Board of Directors in its meeting held on 29th May, 2025 decided to allocate Rs. 700 lakhs as CSR Budget for FY 2025-26.

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (₹ in lakh)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the fund	Amount (₹ in lakh)	Date of Transfer	
							Nil

8. a. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes

b. If Yes, enter the number of Capital assets created/acquired: 207

c. Details relating to such assets so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

ANNUAL REPORT ON CSR ACTIVITIES

61st ANNUAL REPORT 2025-26

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	CSR amount spent (₹ In lakhs)	Details of entity/Authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
1	Financial Assistance for Purchase and installation of medical equipment for General Operation Theatre and Ophthalmology for NGO run Community Hospital at Nadia, West Bengal	741313	31.10.2025 25.11.2025	80.08	CSR00010976	Sridham Mayapur Development Foundation	Sridham Mayapur Development Foundation Bhaktisiddhanta Saraswati Marg, Shividoba, Mayapur, Nadia, West Bengal – 741 313
2	Financial Assistance for Purchase and installation of medical equipment for OT, PICU, NICU, Molecular Biology for NGO run Child Hospital.	700017	27.10.2025 30.10.2025 08.11.2025 25.11.2025 02.12.2025 08.12.2025	93.28	CSR00012432	Institute of Child Health Trust	Institute of Child Health Trust 11, Dr. Biresh Guha Street, PO Circus Avenue, Kolkata –700 017
3	Purchase and installation of Medical Equipment for treatment of cornea disorder for NGO run Eye Hospital.	700156	24.11.2025	78.40	CSR00002623	Medical Research Foundation (Sankara Nethralaya),	Medical Research Foundation (Sankara Nethralaya) Premises No. 25-3333, Plot No. DJ/16 Action Area 1D, New Town, Rajarhat Kolkata 700 156
4	Financial Assistance for Purchase and installation of Lumera I Ophthalmic equipment for enhancing the quality and precision of eye surgeries at Kalyanam Karoti Eye Institute Mathura.	281501	16.01.2026	99.75	CSR00008688	Kalyanam Karoti	Kalyanam Karoti, Goverdhan Road, Jachonda, Mathura, UP 281501.
5	Financial Assistance for Purchase and Installation of Smart Class in 10 Nos. Upper Primary Schools in Raygada District.	765001 765002 765017	28.01.2026	30.61	CSR00004008	Shakti Social Cultural and Sporting Organisation	Shakti Social Cultural and Sporting Organisation, Sorishpadar Road, Ramanaguda, Rayagada, Odisha 765029

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	CSR amount spent (₹ In lakhs)	Details of entity/Authority/beneficiary of the registered owner		
6	Financial Assistance for Purchase and Installation of advanced diagnostic and dental equipment for the hospital run by Vivekananda Medical Mission	678581	21.02.2026	43.15	CSR00018118	Swami Vivekananda Medical Mission	Swami Vivekananda Medical Mission Hospital, Vivekananda Nagar, Muttill, North Kalpetta, Wayanad, Kerala-673122
7	Financial Assistance for Purchase and installation of Optical Biometer for eye hospital run by Sankar Foundation	530047	20.01.2026	30.99	CSR00006331	Sankar Foundation	Sankar Foundation, Visakhapatnam, Andhra Pradesh-530047
8	Financial Assistance for Purchase and installation of 100 Desktop Computers for 20 Nos. Girls' School in Khordha District, Odisha.	752060 752115 752055 752030 752031 754008 751006 751009 751022 751002 751012 751001 752066 752022 752050 752018 752102 752023	13.03.2026	62.44	CSR00002652	Parichay Foundation	Parichay Foundation, 45, Pocket-5 Mayur Vihar Phase-2, Delhi-110091
9	Financial Assistance for Purchase and Installation of 33 Nos. of High Mast Solar Lights at different locations of district Shahjahanpur, Uttar Pradesh	226021	-	39.27 *	CSR00019648	Provincial Co Operative Construction and Development Limited	Provincial Co Operative Construction and Development Limited, 647 B, K 1179, Jankipuram Garden Gudamba, Lucknow Uttar Pradesh – 226 021

* Project at S. No. 9 was undertaken by the Company as ongoing project during the financial year 2025-26. Out of this ongoing CSR project cost of ₹ 39.27 lakhs, ₹ 19.63 lakhs have been spent during the financial Year 2025-26 and ₹ 19.63 lakhs has been transferred to Unspent CSR Account for further expenditure.

ANNUAL REPORT ON CSR ACTIVITIES

61st ANNUAL REPORT 2025-26

Apart from the above, there are 2 (two) projects undertaken by the Company under the CSR initiative where no Capital Asset has been acquired/procured:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	CSR amount spent (₹ In lakhs)	Details of entity/Authority/beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
1	Financial Assistance for Providing Mid-day Meal for Children in 186 Govt. Schools in Bhubaneswar & Nayagarh District, Odisha	NA	NA	30.00 #	CSR00000286	The Akshaya Patra Foundation	The Akshaya Patra Foundation, Hare Krishna Hill, Chord Road, Rajajinagar, Bangalore-560010
2	Contribution towards PM CARES Fund	NA	NA	146.66	NA	PM CARES Fund	-

Project at S. No. 1 was undertaken by the Company as ongoing project during the financial year 2025-26. Out of this ongoing CSR project cost of ₹ 30 lakhs, ₹ 15 lakhs have been spent during the Financial Year 2025-26 and ₹ 15 lakhs has been transferred to Unspent CSR Account for further expenditure.

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: New Delhi
Date: May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
[DIN : 09762368]

Sd/-
(Chandra Shekhar Baghel)
Chairman, CSR Committee
[DIN : 11111187]

Annexure: V
**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015]

To,
The Members,
MSTC LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MSTC Limited** (CIN: **L27320WB1964GOI026211**) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, We hereby report that in our opinion, the company has, during the audit period covering the Financial year ended on **31st March, 2026** ('Audit Period') has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **MSTC LIMITED** ("the Company") in respect of Companies Act, 2013 and Listing Regulations for the Financial year ended on **31st March, 2026** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): to the extent applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and amendments from time to time
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulation, 2021;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time; (hereinafter referred to as 'SEBI LODR, 2015');
 - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

- (i) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered into by Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) read with SEBI LODR, 2015.
- (iii) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises.

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

- (a) In pursuance to the provision of Regulation 17(1)(a) of SEBI LODR, 2015, the company being top 1000 listed entity does not have at least one independent woman director for the period 01.04.2025 to 28.05.2025.
- (b) In pursuance to the provision of Regulation 17(1)(a) of SEBI LODR, 2015, the number of Independent Directors on the Board were less than fifty percent of Board Members during 01.04.2025 to 31.03.2026. From 01.04.2025 to 14.04.2025, there was no Independent Director and from 15.04.2025 to 28.05.2025 the Company had only one Independent Director. So, the Company was not complied with the Section 149 of the Companies Act, 2013 read with Schedule IV during the period from 01.04.2025 to 28.05.2025
- (c) In pursuance to the provision of Regulation 17(1)(c) of SEBI LODR, 2015, the Board of Directors comprised of five directors from 01.04.2025 to 15.04.2025.
- (d) Due to inadequate number of Independent Director, during the period from 01.04.2025 to 28.05.2025 the following Statutory Committees like Audit Committee (Reg. 18 of SEBI LODR, 2015 and Sec. 177 of the Companies Act, 2013) and Nomination and Remuneration Committee (Reg. 19 of SEBI LODR, 2015) were not formed in proper manner. In pursuance to Regulation 18(2)(b), in meeting of audit committee two independent director must be present to form the quorum, however in the Audit Committee meeting held on 29.05.2025 only one independent director attended the meeting.
- (e) The Company has not complied with certain provisions of DPE Guidelines on Corporate Governance regarding constitution of Board and Committees during the period under review.

We further report that:

- (a) Subject to the above qualifications on composition of Board of Directors and its related issues, the Board of Directors of the Company is duly constituted with Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In this regard the Company has received notices from BSE and NSE.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision of the Board and Committee Meetings are carried through, while the dissenting members' views, if any are captured and recorded as part of the minutes.

As far as the compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, we report that all the events which were due to be classified as UPSI has been captured in the SDD data base maintained by the Company as prescribed under Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015.

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

For S Basu & Associates
Company Secretaries
Firm Registration No : S2017WB456500
Sd/-
Saurabh Basu
Practising Company Secretary
ACS: - 18686; C.P.- 14347
Peer Review No : 7404/2025
UDIN: A018686H000415764

Place: Kolkata

Date: May 20, 2026

ANNEXURE A

To,
The Members,
MSTC LIMITED

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

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliance may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

Management's Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the Company.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance as to whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.
7. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
8. The Compliance of the provisions of Corporate and other applicable laws, rules, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.

Disclaimer

9. 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.
10. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S Basu & Associates
Company Secretaries
Firm Registration No : S2017WB456500
Sd/-
Saurabh Basu
Practising Company Secretary
ACS: - 18686; C.P.- 14347
Peer Review No : 7404/2025
UDIN: A018686H000415764

Place: Kolkata
Date: May 20, 2026

Annexure: VI
MANAGEMENT REPLIES TO COMMENTS/OBSERVATIONS OF THE STATUTORY AUDITORS ON THE STANDALONE IND-AS FINANCIAL STATEMENTS OF MSTC LTD. FOR THE FINANCIAL YEAR ENDING ON 31ST MARCH, 2026.

Sl. No.	Comments/Observations	Management Replies
	Report on Other Legal & Regulatory Requirement (Annexure A)	
ix(a)	In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, except subjudice cases of loans from Indian Overseas Bank ₹ 138.23 lakhs and Standard Chartered Bank ₹ 14,361.97 lakhs as mentioned in Note No. 18A(a) and 18B of the Notes to Accounts	Both the matters are subjudice in various forums and have been adequately disclosed in Note No. 18 of the Notes to Accounts.

For and on behalf of the Board of Directors
Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
[DIN : 09762368]

Annexure: VII
Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129
read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of
Subsidiaries or Associate Companies or Joint Ventures.

Part A: Subsidiaries – Nil
Part B: Associates and Joint Ventures

Name of Associates or Joint Ventures	Mahindra MSTC Recycling Private Limited
1. Latest audited Balance Sheet Date	31.03.2026
2. Date on which the Associate or Joint Venture was associated or acquired	16.12.2016
3. Shares of Associate or Joint Ventures held by the company on the year end	Face Value of ₹ 10/- each
No. of shares	400 Lakhs
Amount of Investment in Associates or Joint Venture	₹ 4000 Lakhs
Extent of Holding (in percentage)	50%
4. Description of how there is significant influence	Significant influence due to share holding
5. Reason why the associate / joint venture is not consolidated	Not Applicable
6. Net worth attributable to shareholding of Holding Company as per latest audited Balance Sheet	₹ 1187.08 Lakhs
7. Profit/(Loss) for the year	₹ (939.10) Lakhs
i. Considered in Consolidation	50% share ₹ (469.55) Lakhs
ii. Not Considered in Consolidation	50% share ₹ (469.55) Lakhs

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
PARTNER
M. No: 308743

Date: May 29, 2026
Place: New Delhi

Sd/-
(Manobendra Ghoshal)
CHAIRMAN AND MANAGING DIRECTOR
DIN-09762368

Sd/-
(S K Barnwal)
GENERAL MANAGER
FINANCE & ACCOUNTS

For MSTC LIMITED

Sd/-
(Subrata Sarkar)
DIRECTOR FINANCE & CFO
DIN- 08290021

Sd/-
(Ajay Kumar Rai)
COMPANY SECRETARY
M. No: F5627



Financial Statements

Standalone Financial Statements

REVISED INDEPENDENT AUDITOR'S REPORT

(This Report is a revision of our Report dated 29th May, 2026 based on the observations of the Comptroller and Auditor General of India)

To the Members

MSTC Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **MSTC Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2026 and the statement of Profit and Loss, including the statement of Other Comprehensive Income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026 and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following:

- ♦ Management's outlook on the current status of borrowings from Standard Chartered Bank (Refer Note no. 18B (b) to the standalone financial statements).

- ♦ Increase in Employee Benefit Expenses amounting to ₹ 238.17 Lakhs pertaining to enhancement in Gratuity limit from ₹ 20 Lakhs to ₹ 25 Lakhs as a result of increase in DA above 50% of Basic Pay as calculated by actuary based on internal assessment of the Company (Refer Note no. 25(b) to the standalone financial statements).
- ♦ The Company has provided for ₹ 10.20 Lakhs on account of Gratuity liability of fixed term employees in respect of Actuarial Valuation based on internal assessment of the Company. The Company is monitoring the notification of State Rules and clarifications from the Government on other aspects of the Labour Code. It is also in the process of detailed assessment and would provide appropriate accounting effect based on such developments as needed (Refer Note no. 27 to the standalone financial statements).
- ♦ Other Income includes ₹ 1,471.19 Lakhs in respect of liabilities ageing more than five years written back in terms of Accounting Policy approved by the Board (Refer Note no. 24(b) to the standalone financial statements).
- ♦ The Company carried out the annual impairment testing under Ind AS 36; the recoverable amount of investment in Mahindra MSTC Recycling Private Limited (MMRPL) was determined based on the fair value derived using the Discounted Cash Flow (DCF) method at ₹ 2,850 Lakhs compared to the carrying amount of ₹ 4,000 Lakhs. Accordingly, an impairment loss of ₹ 144 Lakhs (F.Y. 2024-25: ₹ 1,006 Lakhs) has been recognised in the Statement of Profit and Loss. The cumulative impairment loss till date stands at ₹ 1,150 Lakhs. (Refer Note no. 26A to the standalone financial statements).

Our opinion is not modified on the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
1. Recoverability of Trade Receivables	
Trade Receivables-Gross is ₹ 66,792.80 lakhs (Net ₹ 22,690.48 lakhs) with ₹ 44,102.32 lakhs being considered as credit impaired for which a provision for doubtful debts is held in the books. In the event of reference of each case of debt with impaired credit to NCLT and/or other forums for adjudication, the Company is exposed to potential risk of financial loss when the recoveries become subjected to long processes of litigation and eventually doubtful. The recoverable amounts are estimated by management based on their specific recoverability assessment on individual debtor as well as consideration and application of a provisioning policy. The disclosures relating to Trade Receivables of the Company are provided in Note 8 (8.1 to 8.6) of the Standalone Financial Statements.	While examining details of Receivables and transactions during the year ended 31st March, 2026, we have observed the nature of the Trade Receivables including those Advance to Customers classified as such, the sustainability and the likelihood of recoverability of Receivables. In terms of Accounting Policy all such debts considered doubtful of recovery have been provided for in the books as of 31st March, 2026. Since the Company's obtaining of balance confirmation from Parties is an ongoing process (as referred to in Note-38) substantive audit procedures have been followed to ensure accuracy of balances. We have assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers and their historical payment pattern, wherever applicable, along with the latest correspondences with the customers, as available read with Company's existing Risk Management Policy.
2. IT Systems & Control	
Preparation and presentation of Standalone Ind AS Financial Statements are dependent on the Company's supporting software and hardware controls involving risk management exercise for maximum elimination of erroneous data. Thus, quality of audit outcome and its authenticity are dependent on the extent of IT controls and systems.	We have planned, designed and carried out the desired audit procedures and sample checks, which in our opinion are adequate to provide reasonable assurance on the adequacy of IT controls in place.
3. Assessment of allowance for Bad and Doubtful Advances and Contingent Liabilities	
Assessment of allowance for Bad and Doubtful Advances reversed during the year and Contingent liabilities requires assessment of probable outcomes and cash flows. The identification and quantification require estimation and judgement by the management. The disclosure related to reversal of allowance for Bad and Doubtful Advances during the year and Contingent liabilities are provided in Note no. 27 and 30 (a) to the accompanying Standalone Ind AS Financial Statements.	We have carried out the validation of information provided by the management by performing the following procedures: ♦ Evaluating reasonableness of the underlying assumptions. ♦ Understanding the status of the litigations. ♦ Examining the relevant documents on available records. ♦ Reviewing legal opinion/industry practices wherever necessary. ♦ Verification of various disclosures made by the management. ♦ Obtaining Management's Representation as per guidelines of the ICAI. ♦ Company's Accounting Policy.

Other Matter

With reference to Note no. 38, confirmation of balances was not available in many cases of Trade and other Receivables, Trade and other Payables, Loans and Advances, Deposits made and received and the impact of consequent adjustments required, if any, is not ascertained.

Our opinion is not modified in respect of the above matter.

Information Other than the Standalone 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 management report but does not include the Standalone Ind AS financial statements and our auditor's report thereon.
- ♦ Our opinion on the Standalone Ind AS 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 Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements, or our knowledge obtained in the 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- ♦ Identify and assess the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- ◆ We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- ◆ From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of

the Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules of the Companies (Accounts) Rules, 2014.
- e) Notification no. G.S.R. 463 (E) dated 5th June, 2015 as amended on 13th June 2017, issued by Ministry of Corporate Affairs, Section 164 (2) of the Companies Act, 2013 regarding disqualification of the Director is not applicable to the Company, since it is a Government Company.
- f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) The Company being a Government Company, provisions of Section 197 (16) of the Companies Act, 2013 regarding managerial remuneration are not applicable to the Company as per notification no. G.S.R. 463 (E) dated 5th June, 2015.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations lying in the name of the Company as on 31st March, 2026 on its financial position in its standalone Ind AS financial statements-Refer Note 30(a) to the Standalone Ind AS Financial Statements.
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.

- iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including a foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including a foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under and (b) above, contain any material mis-statement.
- (d) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividends. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
- i) Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved as per the statutory requirements for record retention.
- j) As required by Section 143 (5) of the Companies Act, 2013 the directions and sub-directions issued by the Comptroller & Auditor General of India, we give our comments on the Standalone Ind AS Financial Statements in "Annexure-C" annexed herewith.

For S. Guha & Associates
Chartered Accountants
Firm's Registration No.- 322493E
Sd/-
CA Sourabh Mitra
Partner
Membership No.- 308743
UDIN: 26308743AIGGF1656

Place: Kolkata
Date: July 22, 2026

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date) to the Standalone Ind AS Financial Statements of the Company for the year ended March 31st March, 2026:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The property, plant and equipment were physically verified during the year by the management through a Chartered Accountant firm in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed in such verification.
- c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31st March, 2026.
- e) According to the information and explanations given to us and based on our verification it can be concluded that no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as amended in 2016 and rules made thereunder.
- ii. (a) The Company does not hold any inventory as at the year end. Therefore, the provisions of clause 3(ii) of the order are not applicable to the Company.
- (b) The Company has Working capital and Demand loans from Banks as on 31st March, 2026 in excess of ₹ 5 crore which are sub-judice and have been separately reported in clause (ix) (a) herein below in this report. There is no other Working Capital limited viz. Cash Credit or Overdraft operated by the Company. No stock statement and quarterly

returns are required to be submitted to the lending banks in terms of subsisting agreements.

- iii. (a) (B) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except to its employees, details of which are as below:

S I . No.	Type of Loan to Employees	Aggregate Amount during the year (₹ in lakhs)	Balance outstanding as at 31 st March, 2026 (₹ in lakhs)
1.	Staff Conveyance Advance	Nil	10.20
2.	Staff House Building Advance	Nil	176.97

(b) The company has made investments in its Joint Venture, Mahindra MSTC Recycling Private Limited amounting to 500 lakhs (F.Y. 2024-25: 500 lakhs). According to the information and explanations provided to us and based on our audit procedures as well as the approved Board Meeting Minutes the investments made are not prejudicial to the company's interest.

(c) According to the information and explanations provided to us and based on our audit procedures in respect of the above loans schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts are regular.

(d) No amount in respect of loans advanced by the Company to employees is overdue for more than ninety days.

(e) Loans advanced to employees have not been renewed or extended or fresh loans were not granted to settle the overdues of existing loans.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- iv. According to the information and explanations given to us, the Company has not provided any loans, investments and guarantees under the provisions of

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

Section 185 and 186 of the Companies Act, 2013.

- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules made thereunder with regard to the deposits accepted from the public are not applicable. Hence, the provision of clause 3 (vi) of the order is not applicable to the Company.
- vi. Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act hence clause 3(vi) of the order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
(b) except the details mentioned below there are no statutory dues referred to in sub-clause(a) that have not been deposited on account of any dispute;

Name of the Statute	Nature of Statutory Dues	Amount involved (₹ in lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
UP Trade Tax Act 1948	Claim by Sales Tax Authority	1.93	2001-02	High Court Allahabad
UP Trade Tax Act 1948		1.67	2004-05	Commercial Tax Tribunal Bench, Ghaziabad.
WB VAT Act 2003	Claim by Sales Tax Authority	426.33	2009-10	Appellate Revision Board, Kolkata
WB VAT Act 2003		517.20	2012-13	Senior Joint Commissioner, Commercial Taxes, Kolkata
AP VAT Act 2005	Claim by Sales Tax Authority	22.53	1998-99	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
AP VAT Act 2005		41.08	1999-00	CTO-Suryabagh circle
AP VAT Act 2005		9.08	2004-05	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
AP VAT Act 2005		3.70	2005-06	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
AP VAT Act 2005		0.76	2006-07	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
AP VAT Act 2005		177.35	2008-13	High Court of Judicature at Hyderabad
AP VAT Act 2005		56.22	2008-13	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
Delhi Value Added Tax Act, 2004		0.22	2011-12	VATO-KCS, DVAT
CST (CENTRAL SALES TAX ACT)	Claim by Sales Tax Authority	249.00	2009-10	Sales Tax Appellate Tribunal (STAT), Visakhapatnam
Orissa Sales Tax Act	Claim by Sales Tax Authority	269.00	1986-87	High Court Orissa
Gujarat VAT Act 2003	Claim by Sales Tax Authority	217.99	2004-05	Appeal filed in Gujarat Value Added Tax Tribunal against DC (Appeal Order)
Total Sales Tax Dues		1,994.06		
CGST ACT, 2017	Claim by GST Department	4.83	2021-22	Commissioner (Appeal)-GST, Delhi

UPGST Act, 2017	Claim by GST Department	0.51	2021-22	Additional Commissioner Grade-II (Appeal), Lucknow
Total GST Dues		5.34		
Customs Act 1962	Claim by Custom Department	266.25	1995-96	Madras High Court
Customs Act 1962		203.81	2001-02	High Court Calcutta
Customs Act 1962		635.70	2012-13	CESTAT Bangalore or CESTAT Chennai
Customs Act 1962		83.55	2013-14	CESTAT Bangalore or CESTAT Chennai
Total Custom Dues		1,189.31		
Finance Act 1994 (Service Tax)	Service Tax Demand	1,490.10	2005-07	High Court at Calcutta (Commissioner of Service Tax, Kolkata filed appeal on 14.02.2025)
Total Service Tax Dues		1,490.10		
Name of the Statute	Nature of Statutory Dues	Amount involved (₹ in lakhs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income Tax Act 1961 (TDS) (Bhubaneshwar)	Claim by Income Tax Authority	7,909.67	2022-23	CIT Appeals has remanded back the case to Assessing Officer vide its Order dated 24.12.2025
Income Tax Act 1961 (TDS) (Bhubaneshwar)	Claim by Income Tax Authority	17,840.4	2023-24	CIT Appeals has remanded back the case to Assessing Officer vide its Order dated 24.12.2025
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	1.44	2007-08	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	5.24	2008-09	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	4.19	2009-10	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.66	2010-11	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.00	2011-12	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.02	2012-13	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.08	2013-14	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.06	2014-15	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.21	2015-16	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (TDS) (SRO)	Claim by Income Tax Authority	0.00	2016-17	Dept, TDS Ward 2(3), Chennai
Income Tax Act 1961 (RO-Kol)	Claim by Income Tax Authority	11.51	2016-17	Commissioner of Income Tax (Appeal)
Total Income Tax Dues		25,773.50		
Total Tax Dues		30,452.31		

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, except sub-judice cases of loans as under:

Nature of Borrowing	Name of Lender	Amount (₹ in lakhs)	Whether Principal or Interest	No. of days of delay or unpaid	Remarks
Claim from Bank on account of Legal Fees paid by them	Indian Overseas Bank	138.23	Principal	Since 19.09.2011	Refer Note 18A (a) to financial statements
Export Bills Purchase	Standard Chartered Bank	14,361.97	Principal, Interest accrued but not due is ₹ 7,889.03 lakhs	Since 2008-09	Refer Note 18B to financial statements

- (b) The Company has not been declared wilful defaulter by any bank of financial institution or other lender.
- (c) The Company has not availed term loan during the financial year hence clause 3 (ix) (c) of the order is not applicable to the Company.
- (d) The Company did not raise any funds during the year, hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures hence clause 3(ix) (d) of the order is not applicable to the Company.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence clause 3(ix) (f) of the order is not applicable to the Company.
- x. (a) According to the information and explanations given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, reporting under clause 3(x)(a) is not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. According to the information and explanations given to us and based on our examination of records of the Company,
- (a) No fraud by the Company or on the Company by its officers has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There have been no whistleblower complaints received by the Company during the year.
- xii. In our opinion and according to the information given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. (a) According to information and explanations given to us and based on our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The Company gets its Internal Audits conducted for all its Branches and Head Office operations on a quarterly, half-yearly, yearly fixed on a Cluster basis through engagement of Firm Chartered Accountants whose appointments are made by appropriate approvals by its Board of Directors. Such reports have been duly examined and considered by us while forming audit opinion on the Financial Statements.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance Activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 during the year under audit.
- (c) According to information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any Core Investment Company as part of the Group.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 36 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. According to information and explanations given to us and based on our examination of records of the Company, there is no unspent amount under Section 135 (5) of the Companies Act, 2013 pursuant to any project, whether ongoing or other than ongoing.

For S. Guha & Associates
Chartered Accountants
Firm's Registration No.- 322493E

Sd/-
CA Sourabh Mitra
Partner

Place: Kolkata
Date: July 22, 2026

Membership No.- 308743
UDIN: 26308743AIGGF1656

“ANNEXURE-B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE

ON THE STANDALONE FINANCIAL STATEMENTS OF MSTC 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 with reference to standalone Ind AS financial statements of **MSTC Limited** (“the Company”) as of 31st March, 2026, in conjunction with our audit of the Standalone 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 the 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 with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining

an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference

to standalone financial statements 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at 31st March, 2026 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S. Guha & Associates
Chartered Accountants
(Firm Registration No.322493E)
Sd/-
CA Sourabh Mitra
Partner
(Membership No. 308743)
UDIN: 26308743AIGGFW1656

Place: Kolkata
Date: July 22, 2026

“ANNEXURE C” TO THE INDEPENDENT AUDITOR’S REPORT
CAG’s Directions for Statutory Auditors under Section 143(5) of the Companies Act, 2013
applicable for the year 2025-26 Audit

S. No.	Directions	Observation
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	All the investments, made directly by the Company or through Trusts, for Post-retirement benefits of the employees have been valued appropriately in accordance with the applicable framework financial reporting and applicable regulations. The valuation approach and valuation methodologies applied for these by investments is appropriate. Brief note on the company the valuation approach is attached. The Company has defined contribution plans in the form of pension which is governed by Ministry of Steel Directives Pension scheme for the employees of MSTC. The company contributes annually to LIC of India / NPS through a Trust. LIC / NPS provides the pension to the employees from the corpus created on account of employees, by way of contribution from MSTC (The Employer). The Company also has defined benefit plans in the form of Gratuity, Post Retirement Medical Benefit and Provident Fund. The Company operates a Provident Fund scheme for its employees which is managed by an in-house Trust named ‘Metal Scrap Trade Corporation Limited Contributory Provident Fund Trust’. Both employees and the Company contribute 12% of the qualifying basic salary and dearness allowance. Employees also have the option to contribute a higher percentage. The Trust is obligated to pay interest to the members at a rate not lower than the statutory rate notified by the Government of India (EPFO). Any shortfall between the actual investment income generated by the Trust and the interest distributed at the EPFO declared rate is to be met by the Company. Accordingly, the plan is classified as a Defined Benefit Plan under Ind AS 19, and an actuarial valuation has been carried out using the Projected Unit Credit Method (PUCM). In the current year the Company has made a provision of ₹ 85.96 lakhs towards the contribution for deficit in income of PF Trust.

2	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company processes accounting transactions through its inhouse software namely ISTMS. The Company has a system in place to process all the accounting transactions through ISTMS except as mentioned below: The Company carries out certain calculations such as depreciation on PPE, interest on term deposits as well as interest received from parties and closing liabilities outside the IT system. We have verified the calculations and corresponding accounting entries passed in the IT system. We have not observed any deviation with regard to the integrity of the accounts in respect of these calculations. The Company has conducted Cyber Security Audit during F.Y. 2025-26 by Centre for Development of Advanced Computing (C-DAC) which is empaneled with CERT-In as Information Security Auditing Organisation.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	No funds (grants/subsidy etc.) were received or are receivable for specific schemes from the Central/State government or its agencies during the year. Hence this point is not applicable to the Company.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	a) The Company has identified key Risk areas and formulated Enterprise Risk Management Standard Operating Procedure. Enterprise Risk Management Standard Operating Procedure has been prepared considering global practices on ERM. (b) The company has not identified any data assets and consequently these have not been subject to valuation.
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us, secretarial audit report of the company (where applicable), and audit procedures carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable, except as mentioned below: a. The Company being among top 1000 listed entities did not have at least one Independent Woman Director for the period beginning from 01.04.2025 to 28.05.2025 as mandated under Regulation 17(1) (a) of SEBI LODR, 2015.

	b. The number of Independent Directors was less than fifty percent of Board Members during 01.04.2025 to 31.03.2026. There was no Independent Director from 01.04.2025 to 14.04.2025 and from 15.04.2025 to 28.05.2025 the Company had only one Independent Director. Hence, the Company violated Section 149 of the Companies Act, 2013 read with Schedule IV during the period beginning from 01.04.2025 to 28.05.2025. c. The Board of Directors comprised of only five Directors from 01.04.2025 to 15.04.2025 which violated Regulation 17(1) (c) of SEBI LODR, 2015. d. Due to inadequate number of Independent Directors, during the period from 01.04.2025 to 28.05.2025 the Statutory Committees like Audit Committee (Regulation 18 of SEBI LODR, 2015 and Section 177 of Companies Act, 2013) and Nomination and Remuneration Committee (Regulation 19 of SEBI LODR, 2015) were not formed in proper manner. The Audit Committee was attended by only one Independent Director instead of two as mandated under Regulation 18(2)(b). e. Due to inadequate number of Independent Directors, the Company failed to comply with Regulation 21(2) of SEBI (LODR) on composition of Risk Management Committee from 01.04.2025 to 15.04.2025. f. The Company has not complied with certain provisions of DPE guidelines on Corporate Governance regarding constitution of Board and Committees during F.Y. 2025-26. g. The Company does not have a formal policy in line with IT (SPDI) Rules, 2011. However, the Information Security Policy Manual and Information Security Management System of the Company have a mention of the specific sensitive personal data or information relevant to the Company i.e., password and financial information such as Bank account or credit card or debit card or other payment instrument details.
--	---

For S. Guha & Associates
Chartered Accountants
(Firm Registration No.322493E)
Sd/-
CA Sourabh Mitra
Partner
(Membership No. 308743)
UDIN: 26308743AIGGFW1656

Place: Kolkata
Date: July 22, 2026

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF MSTC LIMITED FOR THE YEAR ENDED 31 MARCH 2026

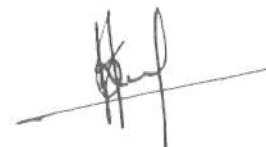
The preparation of Standalone Financial Statements of MSTC Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2026 and Revised Independent Audit Report dated 22 July 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) of the Act of the Financial Statements of MSTC Limited for the year ended 31 March 2026. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A	COMMENTS ON FINANCIAL POSITION
	BALANCE SHEET
1	Note No. 8: Trade Receivables: ₹ 22690.48 lakh Paragraphs 5.5.15(a), 5.5.17, B5.5.28 and B5.4.6 of Ind AS 109 - Financial Instruments require Expected Credit Loss (ECL) to be recognised on all financial assets by considering lifetime or 12-month ECL, as applicable, using the original effective interest rate and incorporating the time value of money, probability-weighted outcomes and forward-looking information. Audit noted that MSTC had not framed a policy on Expected credit Loss as required under Ind AS 1. Despite adoption of Ind AS, it has still been following provisioning policy which is violation of the provision of Ind AS 109. Consequently, the Company did not recognise any Expected Credit Loss (ECL) allowance on trade receivables of ₹22690.48 lakh as on 31 March 2026 out of which ₹10305.23 lakh was receivable for more than one year. As a result, trade receivables and profit for the year were overstated to the extent of the ECL required to be recognised under Ind AS 109.
B	COMMENTS ON PROFITABILITY
1	Note: 24-Other Income: ₹8338.03 lakh The above includes ₹1,471.19 lakh representing unclaimed liabilities outstanding for more than five years, written back to Other Income in terms of the Company's accounting policy. Audit observed that the amount represented Earnest Money Deposits (EMD) and other balances payable to bidders in respect of e-auctions conducted by the Company. As per the tender terms, EMD of unsuccessful bidders was refundable. The tender conditions did not contain any provision for forfeiture of such EMD. Audit further observed that Company did not carry out any obligation to refund these amounts. Therefore, the Company was not justified in recognising these outstanding liabilities as Other Income merely based on its accounting policy. As per Section 129(1) read with Section 133 of the Companies Act, 2013, the financial statements are required to present a true and fair view of the state of affairs of the Company and comply with the Indian Accounting Standards. Further, Ind AS 1 requires fair presentation of financial statements, whereby liabilities and income are recognised and presented in accordance with the substance of the underlying transactions. Write back of unclaimed liability without carrying out due procedure resulted in overstatement of other Income and profit by ₹1,471.19 lakh.

C	CASH FLOW STATEMENT
1	CASH FLOW STATEMENT -Paragraphs 44A and 44B of Ind AS 7 Statement of Cash Flows require disclosure of reconciliation of changes in liabilities arising from financing activities, while Paragraph 50(a) of Ind AS 116 Leases requires lease payments to be presented under cash flows from financing activities. Audit noted that the Company had financing liabilities comprising borrowing ₹ 14,500.20 lakh and lease liability ₹ 23.14 lakh as at 31 March 2026. However, the Company did not disclose the reconciliation of changes in these financing liabilities. Further, it did not separately disclose lease payments under cash flows from financing activities. Non-compliance of above resulted in deficient disclosure in Cash Flow Statement.
D	COMMENTS ON DISCLOSURE
1	Note no. 30: Contingent Liabilities and Commitments Schedule III to the Companies Act, 2013 requires Contingent Liabilities to be disclosed separately under the heads (i) Claims against the Company not acknowledged as debt, (ii) Guarantees, and (iii) Other money for which the Company is contingently liable. Similarly, Commitments are required to be disclosed separately under the heads (i) Estimated amount of contracts remaining to be executed on capital account and not provided for, (ii) Uncalled liability on shares and other investments partly paid, and (iii) Other commitments (specifying the nature thereof). Audit noted that Note 30(a) disclosed Contingent Liabilities of ₹55,948.43 lakh and Commitments of ₹246.62 lakh as at 31 March 2026. However, the Company disclosed these amounts in aggregate without classifying them under the categories prescribed in Schedule III to the Companies Act, 2013. Thus, the financial statements did not comply with the disclosure requirements of Schedule III to the Companies Act, 2013, resulting in incomplete disclosure of the nature of the Company's contingent liabilities and commitments.

**For and on the behalf of
the Comptroller & Auditor General of India**



**(Jitendra Sudhakar Karape)
Director General of Audit (Steel), Ranchi**

**Place: Ranchi
Date: 17/08/2026**

**Management Replies and Statutory Auditor's Comments to Comments/
Observations of the CAG on the Standalone Financial Statements of MSTC
Limited for the financial year ending on 31st March, 2026.**

Sl. No.	CAG Comments/ Observations	Management Replies	Statutory Auditor's Comments										
1	Note No. 8: Trade Receivables: ₹ 22,690.48 lakh Paragraphs 5.5.15(a), 5.5.17, B5.5.28 and B5.4.6 of Ind AS 109 – Financial Instruments require Expected Credit Loss (ECL) to be recognized on all financial assets by considering lifetime or 12-month ECL, as applicable, using the original effective interest rate and incorporating the time value of money, probability-weighted outcomes and forward-looking information. Audit noted that MSTC had not framed a policy on Expected credit Loss as required under Ind AS 1. Despite adoption of Ind AS, it has still been following provisioning policy which is violation of the provision of Ind AS 109. Consequently, the Company did not recognize any Expected Credit Loss (ECL) allowance on trade receivables of ₹ 22,690.48 lakh as on 31 March 2026 out of which ₹ 10,305.23 lakh was receivable for more than one year. As a result, trade receivables and profit for the year were overstated to the extent of the ECL required to be recognized under Ind AS 109.	Out of Trade receivable of ₹ 22,690.48 lakh, ₹ 7,496.88 lakh is backed by Bank Guarantee, hence there is no credit loss envisaged. Further as on 30.06.2026 all the dues have been realized with the closure of this business. Trade Receivable ₹ 9,756.37 lakhs related to associate model is backed by creditors hence no credit loss is envisaged. Balance Trade Receivables related to ongoing E-commerce business ₹ 5,437.23 lakhs have been measured on Expected Credit Loss (ECL) basis and necessary provisions have been made as per provisioning policy of the Company. The provisioning policy is summarized below: <table><tr><th>No. of years outstanding</th><th>Amount of provisioning</th></tr><tr><td>0-1 years</td><td>0%</td></tr><tr><td>1-2 years</td><td>0%</td></tr><tr><td>2-3 years</td><td>50%</td></tr><tr><td>More than 3 years</td><td>100%</td></tr></table> It can be seen from above that the provisioning policy is based on the principle of Expected Credit Loss (ECL), only the nomenclature is different. Thus, necessary provision for expected credit loss has already been accounted for in the books. Hence, there is virtually no overstatement of Trade Receivable as well as Profit. However, as suggested by audit, ECL model will be formulated and adopted in its form, in the financial statement of F.Y 2026-27.	No. of years outstanding	Amount of provisioning	0-1 years	0%	1-2 years	0%	2-3 years	50%	More than 3 years	100%	We are agreeable to the management response.
No. of years outstanding	Amount of provisioning												
0-1 years	0%												
1-2 years	0%												
2-3 years	50%												
More than 3 years	100%												

2	Note: 24: Other Income: ₹ 8,338.03 lakh The above includes ₹ 1,471.19 lakh representing unclaimed liabilities outstanding for more than five years, written back to Other Income in terms of the Company's accounting policy. Audit observed that the amount represented Earnest Money Deposits (EMD) and other balances payable to bidders in respect of e-auctions conducted by the Company. As per the tender terms, EMD of unsuccessful bidders was refundable. The tender conditions did not contain any provision for forfeiture of such EMD. Audit further observed that there was no evidence to establish that the Company's obligation to refund these amounts had ceased. Therefore, the Company was not justified in recognizing these outstanding liabilities as Other Income merely on the basis of its accounting policy. As per Section 129(1) read with Section 133 of the Companies Act, 2013, the financial statements are required to present a true and fair view of the state of affairs of the Company and comply with the Indian Accounting Standards. Further, Ind AS 1 requires fair presentation of financial statements, whereby liabilities and income are recognized and presented in accordance with the substance of the underlying transactions. Above resulted in overstatement of other Income and profit by ₹ 1,471.19 lakh.	Generally, at present, in case of EMD, MSTC either refunds the same on receipt of request or transfers it to the principal as per instruction. The amount under scrutiny is basically without any identifiable tag. The problem here is of identification, mainly due to old age, non-availability of information and documentation. Adding to it, in lot of instances, it becomes very difficult to identify the remitter from the Bank statement in absence of detailed individual information. In such cases, the amount remains with MSTC awaiting identification and further instruction from the stakeholders. So, it cannot be said that all these amounts are EMD and it cannot be linked to tender terms. Moreover, there is no demand pending for the amounts as on date. It is again reiterated that the issue is lack of identification and information and the population forms a microscopic part of the whole transaction carried out by MSTC. It is the accumulation over the years that has resulted in such amount. In order to tackle such old unclaimed balances, discussion was held in the Audit Committee and based on the recommendation of the Audit Committee, the Board of Directors of MSTC has formulated a policy of Write Back of such old unclaimed balances lying for more than 5 years. Accordingly, the old unclaimed and unidentified amount ageing more than 5 years has been written back as per the Board approved policy.	We are agreeable to the management response.
---	---	---	---

3	Paragraphs 44A and 44B of Ind AS 7 - Statement of Cash Flows require disclosure of reconciliation of changes in liabilities arising from financing activities, while Paragraph 50(a) of Ind AS 116 - Leases requires lease payments to be presented under cash flows from financing activities. Audit noted that the Company had financial liabilities comprising borrowing ₹ 14,500.20 lakh and lease liability ₹ 23.14 lakh as at 31 March 2026. However, the Company did not disclose the reconciliation of changes in these financing liabilities. Further, it did not separately disclose lease payments under cash flows from financing activities. Non-compliance of above resulted in deficient disclosure in Cash Flow Statement.	The financial liabilities comprising borrowing ₹ 14,500.20 lakh is under judicial scrutiny i.e. sub judice. Further, there is no change in the status on 31.03.2026 vis-a-vis 31.03.2025. However, the audit observation is noted and necessary disclosure citing its sub judice status will be incorporated in the financial statement of F.Y 2026-27. There was only change in Lease liabilities related to Right of Use Assets, which were recognized as on 31.03.2026. Since, the Lease liabilities and Right of Use Assets were recognized as on 31.03.2026, hence, not shown under Financing activities for the year. However, the audit observation is noted and necessary disclosure will be incorporated in the financial statement of F.Y 2026-27.	We are agreeable to the management response.																																								
4	Note no. 30: Contingent Liabilities and Commitments Schedule III to the Companies Act, 2013 requires Contingent Liabilities to be disclosed separately under the heads (i) Claims against the Company not acknowledged as debt, (ii) Guarantees, and (iii) Other money for which the Company is contingently liable. Similarly, Commitments are required to be disclosed separately under the heads (i) Estimated amount of contracts remaining to be executed on capital account and not provided for, (ii) Uncalled liability on shares and other investments partly paid, and (iii) Other commitments (specifying the nature thereof). Audit noted that Note 30(a) disclosed Contingent Liabilities	The Company has made the following disclosure regarding Contingent Liabilities and Commitments in note no. 30: a) Contingent liabilities (Amt. ₹ Lakh) <table border="1"> <thead> <tr> <th>Sl. No.</th><th>Particulars</th><th>31.03.2026</th><th>31.03.2025</th></tr> </thead> <tbody> <tr> <td>1</td><td>Sales Tax & VAT</td><td>1,994.06</td><td>2,006.44</td></tr> <tr> <td>2</td><td>GST</td><td>5.34</td><td>3.90</td></tr> <tr> <td>3</td><td>Customs Act</td><td>1,189.31</td><td>1,189.31</td></tr> <tr> <td>4</td><td>Money Suits</td><td>15,774.51</td><td>15,777.63</td></tr> <tr> <td>5</td><td>Arbitration</td><td>9,229.57</td><td>-</td></tr> <tr> <td>6</td><td>Income Tax</td><td>25,773.50</td><td>18,475.22</td></tr> <tr> <td>7</td><td>Service Tax</td><td>1,490.10</td><td>1,490.10</td></tr> <tr> <td>8</td><td>Outstanding Bank Guarantees</td><td>492.04</td><td>560.06</td></tr> <tr> <td></td><td>Total</td><td>55,948.43</td><td>39,502.66</td></tr> </tbody> </table>	Sl. No.	Particulars	31.03.2026	31.03.2025	1	Sales Tax & VAT	1,994.06	2,006.44	2	GST	5.34	3.90	3	Customs Act	1,189.31	1,189.31	4	Money Suits	15,774.51	15,777.63	5	Arbitration	9,229.57	-	6	Income Tax	25,773.50	18,475.22	7	Service Tax	1,490.10	1,490.10	8	Outstanding Bank Guarantees	492.04	560.06		Total	55,948.43	39,502.66	We are agreeable to the management response.
Sl. No.	Particulars	31.03.2026	31.03.2025																																								
1	Sales Tax & VAT	1,994.06	2,006.44																																								
2	GST	5.34	3.90																																								
3	Customs Act	1,189.31	1,189.31																																								
4	Money Suits	15,774.51	15,777.63																																								
5	Arbitration	9,229.57	-																																								
6	Income Tax	25,773.50	18,475.22																																								
7	Service Tax	1,490.10	1,490.10																																								
8	Outstanding Bank Guarantees	492.04	560.06																																								
	Total	55,948.43	39,502.66																																								

of ₹ 55,948.43 lakh and Commitments of ₹ 246.62 lakh as at 31 March 2026. However, the Company disclosed these amounts in aggregate without classifying them under the categories prescribed in Schedule III to the Companies Act, 2013. Thus, the financial statements did not comply with the disclosure requirements of Schedule III to the Companies Act, 2013, resulting in incomplete disclosure of the nature of the Company's contingent liabilities and commitments.	b) Commitments (Amt. ₹ Lakh)			
	Sl. No.	Particulars	31.03.2026	31.03.2025
	1	Purchase of New Office at New Delhi	-	1,502.07
	2	Intangible Assets under development	246.62	-
		Total	246.62	1,502.07
Thus, the Company has made adequate disclosure of Contingent Liabilities and Commitments under different heads although not as per exact format of Schedule III of the Companies Act 2013. The audit observation is noted and necessary disclosure shall form part of the financial statement of F.Y. 2026-27.				

For and on behalf of the Board of Directors
Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN : 09762368)

For S. Guha & Associates, Chartered Accountants
(Registration No. 322493E)
Sd/-
(CA Sourabh Mitra)
Partner
(Membership No. 308743)

Place: New Delhi
Date: August 24, 2026

Standalone Balance Sheet as at 31st March 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
(1) Non-Current Assets			
Property, Plant and Equipment and Intangible assets			
(a) Property, Plant and Equipment	2	19,413.05	5,285.61
(b) Right-of-Use Assets - Leasehold Land	2	694.11	678.42
(c) Intangible Assets	2	480.84	516.89
(d) Intangible Assets under Development	2	48.00	-
		20,636.00	6,480.92
(e) Financial Assets			
(i) Investments			
(a) In Joint Venture	3	2,850.00	2,494.00
(ii) Other Financial Assets	4	290.66	346.17
(f) Non-Current Tax Assets	5	3,741.04	6,595.65
(g) Deferred Tax Assets (Net)	6	9,551.25	9,782.76
(h) Other Non Current Assets	7	5,245.71	14,971.60
Total Non- Current Assets		42,314.66	40,671.10
(2) Current assets			
(a) Financial Assets			
(i) Trade Receivables	8	22,690.48	30,954.39
(ii) Cash and Cash Equivalents	9	55,372.35	37,820.41
(iii) Other Bank Balances	10	77,385.73	98,052.08
(iv) Other Financial Assets	11	4,405.54	5,217.93
(b) Other Current Assets	12	564.62	461.61
Total Current Assets		160,418.72	172,506.42
TOTAL ASSETS		202,733.38	213,177.52
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	13	7,040.00	7,040.00
(b) Other Equity	14	85,015.40	68,139.16
Total Equity		92,055.40	75,179.16
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	15	338.03	356.28
(b) Provisions	16	1,647.31	1,688.13
(c) Other Non-Current Liabilities	17	1,092.78	1,030.96
Total Non- Current Liabilities		3,078.12	3,075.37
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	14,500.20	14,500.20
(ii) Trade Payables			
Total Outstanding dues of			
a) Micro & Small Enterprises	19	-	5.99
b) Creditors other than Micro & Small Enterprises	19	12,616.32	12,305.28
(iii) Other Financial Liabilities	20	78,446.60	105,775.53
(b) Other Current Liabilities	21	1,950.78	2,323.03
(c) Provisions	22	85.96	12.96
Total Current Liabilities		107,599.86	134,922.99
Total Liabilities		110,677.98	137,998.36
TOTAL EQUITY AND LIABILITIES		202,733.38	213,177.52

The accompanying notes form an integral part of the financial statements.
In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Standalone Statement of Profit & Loss for the year ended 31st March 2026

		(Amount in ₹ Lakhs)	
Particulars	Notes	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
I Revenue from Operations	23	36,965.66	31,095.96
II Other Income	24	8,338.03	7,654.24
III Total Income (I + II)		45,303.69	38,750.20
IV EXPENSES			
(a) Employee Benefits Expense	25	9,872.50	9,132.13
(b) Finance Costs	26	-	18.00
(c) Depreciation and Amortisation Expense	2	1,036.32	908.76
(d) Impairment losses	26A	144.00	1,006.00
(e) Other Expenses	27	4,681.80	3,613.89
Total Expenses		15,734.62	14,678.78
V Profit before Exceptional items and Tax (III- IV)		29,569.07	24,071.42
VI Exceptional Items: Income/(Expenses)	27A	-	26,318.86
VII Profit before Tax (V+VI)		29,569.07	50,390.28
VIII Tax Expense	31		
(a) Current Tax		7,188.12	10,168.67
(b) Deferred Tax		212.08	(76.48)
Total Tax Expense		7,400.20	10,092.19
IX Profit for the Year (VII- VIII)		22,168.87	40,298.09
X Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan	35	77.20	609.35
(b) Income tax on above		(19.43)	(153.36)
		57.77	455.99
XI Total Comprehensive Income for the Year (IX + X)		22,226.64	40,754.08
XII Earnings per Equity Share (Face Value ₹ 10 each):	32		
(a) Basic (in ₹)		31.49	57.24
(b) Diluted (in ₹)		31.49	57.24

The accompanying notes form an integral part of the financial statements.

In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Standalone Statement of Changes in Equity for the Year ended 31st March 2026

A. Equity Share Capital

(Amount in ₹ Lakhs)

Particulars	Nos	Face Value (₹)	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid			
Balance as at 31 st March, 2026	70,400,000	10	7,040.00
Balance as at 31 st March 2025	70,400,000	10	7,040.00
Balance as at 31 st March 2024	70,400,000	10	7,040.00

B. Other Equity

Particulars	General Reserve	Retained Earnings	Total
Balance as at 01st April, 2025	49,616.00	18,523.16	68,139.16
Profit for the year ended 31 st March, 2026	-	22,168.87	22,168.87
Other Comprehensive Income for the year	-	57.77	57.77
Final Dividend 2024-25	-	-	-
Interim Dividend 2025-26	-	(5,350.40)	(5,350.40)
Balance as at 31st March, 2026	49,616.00	35,399.40	85,015.40
Balance as at 01st April, 2024	49,616.00	9,801.08	59,417.08
Profit for the year ended 31 st March, 2025	-	40,298.09	40,298.09
Other Comprehensive Income for the year	-	455.99	455.99
Final Dividend 2023-24	-	(3,520.00)	(3,520.00)
Interim Dividend 2024-25	-	(28,512.00)	(28,512.00)
Balance as at 31st March, 2025	49,616.00	18,523.16	68,139.16

The accompanying notes form an integral part of the financial statements.
In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Statement of Standalone Cash Flows for the Year ended 31st March 2026
(Amount in ₹ Lakhs)

Particulars	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax for the Year	29,569.07	50,390.28
Adjustments for:		
Depreciation / Amortisation Expenses	1,043.78	916.22
Interest Income	(6,834.79)	(7,246.37)
Finance Cost	-	18.00
Profit/Loss on sale of Property Plant and Equipments	7.49	0.81
Provision no Longer Required Written Back	-	-
Provision for Bad and Doubtful Advances/Debts	(90.50)	51.64
Impairment Losses	144.00	1,006.00
Income on Sale of Subsidiary	-	(30,169.19)
Liability written Back	(1,471.19)	-
Operating Profit before Working Capital changes	22,367.86	14,967.39
Adjustments for changes in Operating Assets & Liabilities		
Adjustments for (increase) / decrease in Operating Assets:		
Movement in working capital:		
(Increase)/decrease in Trade and Other Receivables	9,794.98	343.63
(Increase)/decrease in Other Assets	(3,342.43)	(362.27)
Adjustments for increase / (decrease) in Operating Liabilities:		
Increase/ (decrease) in Trade Payables & Others Financial Liabilities	(27,065.27)	18,312.00
Increase/ (decrease) in Other Liabilities	(310.43)	(441.13)
Increase/ (decrease) in Provisions	109.38	93.46
Cash generated from Operations	1,554.09	32,913.08
Direct Taxes Paid (Net of Refund)	(4,333.51)	(6,882.78)
Net cash from Operating Activities	(2,779.42)	26,030.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment and Capital Advance	(2,225.56)	(2,463.39)
Proceeds from disposal of Property, Plant & Equipment	7.66	1.43
Net Proceeds from Sale of Subsidiary	-	31,750.19
Investment In Fixed Deposits	20,666.35	(19,294.04)
Investment in Joint Venture	(500.00)	(500.00)
Interest received	7,733.31	6,989.68
Net cash (used) in Investing Activities	25,681.76	16,483.87
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	-	(59.20)
Dividend Paid	(5,350.40)	(28,864.00)
Net cash used in Financing Activities	(5,350.40)	(28,923.20)
Net increase/(decrease) in Cash & Cash equivalents(A+B+C)	17,551.94	13,590.97
Cash and Cash equivalents at the beginning of the Year	37,820.41	24,229.44
Cash and Cash equivalents at the end of the Year	55,372.35	37,820.41

Note :

- Figures in brackets indicate outflows.
- Statement of Cash Flows is prepared using Indirect Method as per Indian Accounting Standard - 7: Statement of Cash Flows. The accompanying notes form an integral part of the financial statements.

In terms of our report of even date.

For and on behalf of Board of Directors
For S. Guha & Associates
Chartered Accountants
FRN : 322493E
Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743
Place : New Delhi
Dated : May 29, 2026
Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
DIN-09762368)
Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)
Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)
Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Notes to Standalone Financial Statements for the year ended 31st March, 2026

1.A GENERAL INFORMATION

MSTC Limited (the "Company") is a Miniratna Category-I Company was incorporated under the Companies Act, 1956 on 9th September 1964. It is domiciled in India, having registered office at Plot No.- CF-18/2, Street No.-175, Action Area 1C, New Town, Kolkata-700156 and limited by shares (CIN: L27320WB1964GOI026211). Pursuant to Initial Public Offer equity shares of MSTC Limited are listed and traded on both BSE Limited and National Stock Exchange of India Limited w.e.f. 29th March, 2019. The core activity of the Company has been divided into two Operational Divisions, i.e. e-Commerce and Marketing. The Company undertakes trading activities, disposal of ferrous and non-ferrous scrap, surplus stores, minerals, agri and forest produces etc. mostly from Public Sector Undertakings, Govt. Departments and leading private sector entities and other e-commerce services. The mode of disposal includes e-auction, e-tender, e-reverse auction etc. Besides, MSTC also e-auctions coal from Coal India Ltd, Singareni Coalfields Ltd. etc. Apart from these MSTC also provides e-procurement and other platform development and maintenance solutions. The marketing division handles domestic trade of mainly bulk industrial raw material. It looks after sourcing, purchase and sales of industrial raw materials like Heavy Melting Scrap, Low Ash Metallurgical Coke, HR Coil, Crude Oil, Naptha, Coking Coal, Steam Coal etc. for supply to Indian industries in steel, infrastructure, power sector etc.

The Board of Directors, in its 335th meeting held on 12th November, 2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

1.B RECENT ACCOUNTING DEVELOPMENTS

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.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1st April, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1st April, 2025 - The amendment relates to classification

of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1st April, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform - Pillar Two Model Rules, applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments in its financial statements.

1.C MATERIAL ACCOUNTING POLICIES

1.C.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be measured at fair value at the end of each reporting period by Ind ASs. The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind ASs'), including the rules notified under the relevant provisions of the Companies Act 2013.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the

Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional Currency and Presentation Currency

The financial statements are prepared in Indian Rupees (₹) which is the Company's functional currency for all its operations. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Lakh, unless otherwise stated.

Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013 and Ind AS 1 – 'Presentation of Financial Statements'.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Use of estimates and critical judgements

The preparation of accounts in accordance with Ind ASs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the period.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgements and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, current asset provisions, deferred tax, retirement benefits. The detailed accounting policies, including underlying judgements and methods of estimations for each of these items are discussed below. All of these key factors are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and any future periods affected.

1.C.2 FOREIGN CURRENCY TRANSLATION

In preparing the financial statements of the Company,

transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the Statement of Profit and Loss for the period. Exchange differences arising on retranslation of non-monetary items carried at fair value are included in statements of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income.

Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gains/ losses are not recognized in the books of the Company.

1.C.3 (a) PROPERTY, PLANT AND EQUIPMENT

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognized.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Land has an indefinite economic life. The Company can enjoy the part of the life restricted to years of lease. The

lease rent paid in advance is being amortized over the period of lease.

1.C.3 (b) Depreciation of property, plant and equipment

Depreciation is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment to their residual value. These charges are commenced from the date the assets are available for their intended use and are spread over their estimated useful lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation is provided to allocate the costs of property, plant and equipment, net of their residual values, over their useful life as specified in Schedule II of the Companies Act, 2013. The estimated useful lives for the main categories of property, plant and equipment are:

Type of Asset	Estimated Useful life (Years)
Office Equipments	5
Vehicles	8
Furniture and Fixtures	10
Partition and Cubicles	10
Building	60
Building (Other than RCC)	30
Air Conditioners	10
Electrical Installation & Equipments	10
Computers & EDP Equipments	3
Servers	6
Machinery	15

Assets in the course of construction are included under capital work in progress and are carried at cost, less any recognized impairment loss. Such capital work-in-progress, on completion, is transferred to the appropriate category of property, plant and equipment.

1.C.3 (c) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life

and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Further, the management estimates that the intangible assets are having zero carrying costs at the end of their useful life i.e. zero residual value.

Software acquired separately is capitalized as software. These are amortized over a period of their license. In case of perpetual licenses, the cost is amortized over a period of five years.

1.C.4 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication, the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the Statement of Profit and Loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in profit and loss immediately.

1.C.5 Investment in Subsidiaries and Joint venture

Investment in subsidiaries and Joint venture are carried at cost in terms of Ind AS 28. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the difference between net disposal proceeds and carrying amounts are recognized in Statement of Profit and Loss.

1.C.6 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are immediately recognized in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction cost.

a) Financial assets

I. Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

The Effective Interest Rate method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The Effective Interest Rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

II. Financial assets measured at fair value through Other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is 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.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income. However, the interest income, losses and reversals, and foreign exchange gains and losses are recognized in the Statement of Profit and Loss.

III. Financial assets measured at fair value through profit and loss

Financial assets not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit and loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition. For financial instruments whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized.

Derecognition of financial assets

The Company derecognizes 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 assets, 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 recognize the financial asset and also recognizes a collateralized borrowing of the proceeds received.

b) Financial liabilities and equity instruments

Classification

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Transaction costs of an equity transaction are being accounted as a deduction from equity.

Financial Liabilities

The Company's financial liabilities include Trade and other payables and borrowings including bank overdrafts are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

1.C.7 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalent includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, cash at bank, and bank overdraft and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

1.C.8 INVENTORIES

Stock in trade including material-in-transit is valued at cost or estimated net realizable value whichever is less.

1.C.9 REVENUE RECOGNITION

Revenue is recognized when the performance obligation towards transfer of goods and services to a customer is satisfied.

SERVICE CHARGES

Remuneration for transaction in Marketing Department through facilitator mode and for conducting sales/ procurement on behalf of Principals, by way of auctions, tenders, or any other means, are accounted for as service charges.

- (a) Service charges are accounted for as income at contracted rates on:
 - i. Tender/Auction sale on behalf of Public Sector Undertakings, Defence and other Government Departments/ other clients on issuance of sale orders / delivery orders.
 - ii. On satisfactory completion of e-sales.
In respect of (i) & (ii), service charges are accounted for on bid price of auction with adjustments, if any, on the basis of actual delivery by the Principals, in case service charges are payable on percentage basis.
 - iii. On occurrence of event, in case of service contract on event basis including development, maintenance of e-portal and software.
 - iv. In case of E-Procurement Service charges are booked, where service charges are collectable from the Principal, on completion of event.
- (b) Transaction fees collected from bidders are accounted for the successful conduct of events.
- (c) Service charges accrued in respect of purchase as facilitator are accounted for at the contracted rate on the basis of date of bill of lading / railway receipt / lorry receipt as the case may be. For imported materials, value is ascertained either at forward cover rate or at FEDAI spot rate prevailing on the last date of the Financial Year. Final adjustment is made on actual payment. In case of indigenous materials, value is ascertained on the basis of actual payment at contracted rate.

E-AUCTION REGISTRATION

E-auction Registration fees collected from buyers is considered as income of the current year if the validity of registration is upto one year. In case of lifelong registration, the amount so collected is distributed in five years equally.

OTHER INCOME

Revenue is recognized on accrual basis except in the following items which are accounted on actual realization since realizability of such items is uncertain in accordance with the provisions of the accounting standards:

- i) Decrees pending for execution/contested dues and interest thereon, if any.
- ii) Interest on overdue recoverable where realizability is uncertain.
- iii) Liquidated damages on suppliers or contractors.
- iv) Refund of Income-Tax/Sales Tax/VAT and interest thereon.
- v) Dividend income is recognized when right to receive payment is established.

1.C.10 BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.C.11 EMPLOYEE BENEFITS

(a) Short-term benefits

Short-term employee benefits are accounted for at their undiscounted amount in the accounting period in which the services are rendered by the employees are recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(b) Leave encashment

The liabilities for earned leave and commuted leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period based on actuarial valuation using the projected unit credit method.

The benefits are discounted using the market yield at the end of the reporting period that have terms of approximating to the terms of related obligations. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit and loss. The facility is funded through LIC of India.

(c) Post-employment obligation

Defined Contribution Plan –

i. Pension

The pension plan is administered through an independent trust, and contributions to this fund are charged to revenue. The fund is managed through the LIC of India / NPS. The contribution amount is governed by directives from the Ministry of Steel, in accordance with Department of Public Enterprises (DPE) guidelines.

Defined Benefit Plan –

i. Provident Fund

Provident Fund is administered by a Trust recognized by Income Tax Authorities and contribution to this Fund is charged to revenue. Pensioner's Benefits are secured through Employees' Pension Scheme 1995. The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The Company has an obligation to ensure minimum rate of return to the members as specified by GOI.

ii. Gratuity

The liabilities or assets recognized in the Balance Sheet in respect of defined gratuity plan is the present value of the defined benefits obligation at the end of the reporting period, less the fair value of plan assets. The defined benefits obligations are calculated annually by actuaries using projected unit credit method. The present value of defined benefits obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that are terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discounted rate to the net balance of defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly

in other comprehensive income. They are included in retained earnings in the statement of changes in equity.

Changes in the present value of defined benefit obligation resulting from amendments and curtailments are recognized immediately in profit or loss as past service cost. The Gratuity obligation is funded through Group Gratuity Life Assurance Scheme of Life Insurance Corporation of India and is administered through a separate irrevocable trust created by the Company for this purpose.

iii. Post Retirement medical benefit

The Company provides post retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to the retirement age and the completion of minimum service period. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. The fund is administered through a separate trust created for this purpose.

1.C.12 TAXATION

Tax expense for the year comprises current and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax for the year as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in the country where the Company operates by the end of the reporting period.

(ii) Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future in respect of deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which

the deferred tax assets can be utilized.

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

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognized as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

1.C.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions whereby an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent liabilities are disclosed by way of notes. These are reviewed at each Balance Sheet date and are adjusted to reflect the current estimate of management.

Contingent assets are not recognised but disclosed in financial statements when an inflow of economic benefits is probable.

1.C.14 SEGMENT REPORTING

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures. The

Company undertakes trading activities and also acts as e-commerce service provider. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates Company's performance and allocates resources on an analysis of various performance indicators by operating segments. In terms of above the Company has identified Marketing and e-Commerce as its two Primary Reportable Business Segments. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Rest of the items of revenue and expenses, which cannot be specifically allocated under specific segments, are separately disclosed as unallocated.

The Board of Directors, in its 335th meeting held on 12.11.2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

1.C.15 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful economic lives and impairment of other assets

The estimated useful life of property, plant and equipment (PPE) and intangible assets is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE and intangibles at the end of each reporting date, and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends on assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iv) Fair Value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(v) Recognition of deferred tax assets for carried forward tax losses and unused tax credit

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant

judgement is required in assessing the impact of any legal or economic limits.

1.C.16 PROVISION OF TRADE RECEIVABLES

i. The Company has a provisioning policy in place which provides for quarterly review and provision as per the policy, which is as follows:

SI No.	Particulars	Amount of provisioning
1	Trade Receivables (e-Commerce Business)	Outstanding more than 2 years – 50% Outstanding more than 3 years – balance amount
2	Trade Receivables (Associate supply Business)	In this model since actual funding for procurement is done by MSTC's associate supplier, there is no scope for business loss to the account of MSTC. Hence no provisioning against such trade receivables is envisaged.
3	Trade Receivables (110% BG backed Business)	Since the transaction is entirely covered by Bank Guarantee, no provisioning against such trade receivables is envisaged.
4	Trade Receivables (Cash & carry business)	The policy provides for provisioning at various stages depending upon the age and quantum of security available (pledged stock) for concerned trade receivable.

ii. The Company has done trading under "Back-to-Back Arrangement with Associate Suppliers". As per the arrangement, the payment to suppliers will be released only on realization of Trade Receivables. Hence the Company treats these Trade Receivables as Secured.

1.C.17 Restatement of material error / omissions:

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in each case do not exceed the overall material limit specified in MSTC policy for determination of materiality of events or information in terms of SEBI LODR Regulations i.e. lower of the following:

- Two percent of turnover, as per the last audited consolidated financial statements of the Company;
- Two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
- Five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company; In respect to the above, the average of absolute

value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value/figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

1.C.18 Policy on write back of old unclaimed amounts

- At every Balance sheet date, the unclaimed amounts ageing more than five (5) years will be written back.
- The exercise to be carried out annually with effect from 31.03.2026.
- There may be cases where any amount is needed to be settled/paid in subsequent years, out of written back amount. The amount shall be adjusted from the write back amount available on that particular financial year (year of payment). If the write back amount is insufficient, then it will be charged to Profit and Loss Account of that particular year (year of payment).
- The old balances of erstwhile trading business and sub-judice matters will not fall under this policy.

2. Property, Plant and Equipment and Intangible Assets

Particulars	Freehold Buildings	Freehold Office Buildings	Freehold Buildings Other than RCC	Electrical Installation & Equipment	Machinery	Office Equipment	Office Air Conditioner	Furniture and fixture	Office Partition & Cubicles	Computer and Equip-ments	Vehicles	Total Tangible Assets
Gross Block as at March 31, 2024	40.79	71.91	3,506.29	788.43	237.90	485.63	367.54	401.05	23.69	1,486.95	20.90	7,431.08
Additions	-	-	-	-	-	9.03	7.32	9.13	-	359.61	-	385.09
Disposals	-	-	-	-	-	1.15	0.38	0.91	-	9.22	-	11.66
Gross Block as at March 31, 2025	40.79	71.91	3,506.29	788.43	237.90	493.51	374.48	409.27	23.69	1,837.34	20.90	7,804.51
Additions	-	14,201.64	-	199.11	-	189.20	64.18	252.92	-	14.84	19.78	14,941.66
Disposals	-	-	-	-	-	28.63	12.30	12.69	11.92	14.59	-	80.13
Gross Block as at March 31, 2026	40.79	14,273.55	3,506.29	987.54	237.90	654.07	426.36	649.51	11.77	1,837.59	40.68	22,666.04
Depreciation as at March 31, 2024	7.09	17.93	299.94	202.34	40.71	248.88	102.46	150.06	13.00	760.09	19.49	1,861.99
Charge for the year	1.11	1.77	111.02	74.89	15.06	88.93	33.40	32.39	2.26	305.12	0.38	666.33
Disposals	-	-	-	-	-	0.84	0.30	0.48	-	7.80	-	9.42
Depreciation as at March 31, 2025	8.20	19.70	410.96	277.23	55.77	336.97	135.56	181.97	15.26	1,057.41	19.87	2,518.90
Charge for the year	0.58	164.59	111.04	77.91	15.07	90.28	35.67	36.65	1.83	265.19	0.26	799.07
Disposals	-	-	-	-	-	21.89	8.47	10.18	10.81	13.63	-	64.98
Depreciation as at March 31, 2026	8.78	184.29	522.00	355.14	70.84	405.36	162.76	208.44	6.28	1,308.97	20.13	3,252.99
Net book value as at March 31, 2025	32.59	52.21	3,095.33	511.20	182.13	156.54	238.92	227.30	8.43	779.93	1.03	5,285.61
Net book value as at March 31, 2026	32.01	14,089.26	2,984.29	632.40	167.06	248.71	263.60	441.07	5.49	528.62	20.55	19,413.05

2. Property, Plant and Equipment and Intangible Assets (continued)

Particular	Intangible assets under development	Right-of-Use (ROU) Assets - Leasehold Land	Software Licence	Trade Mark	Total Intangible Assets
Gross Block as at March 31, 2024	-	685.88	994.27	0.40	994.67
Additions	-	-	164.11	-	164.11
Disposals*	-	7.46	152.30	-	152.30
Gross Block as at March 31, 2025	-	678.42	1,006.08	0.40	1,006.48
Additions	48.00	23.14	201.23	-	201.23
Disposals*	-	7.45	137.68	-	137.68
Gross Block as at March 31, 2026	48.00	694.11	1,069.63	0.40	1,070.03
Depreciation as at March 31, 2024	-	-	399.06	0.40	399.46
Charge for the year	-	-	242.43	-	242.43
Disposals	-	-	152.30	-	152.30
Depreciation as at March 31, 2025	-	-	489.19	0.40	489.59
Charge for the year	-	-	237.28	-	237.28
Disposals	-	-	137.68	-	137.68
Depreciation as at March 31, 2026	-	-	588.79	0.40	589.19
Net book value as at March 31, 2025	-	678.42	516.89	-	516.89
Net book value as at March 31, 2026	48.00	694.11	480.84	-	480.84

Notes:

- a) Disposal of Leasehold Land represents amortisation of Prepaid Lease Payment.
- b) The Title Deed of the immovable property are held in the name of the Company.
- c) All assets, wherever applicable have been duly registered with the Registrar of Companies for the charges.
- d) At the time of implementation and adoption of IndAS w.e.f 1st April, 2015 in terms of IndAS 101, the Net Block of Assets was considered as Gross Block treating Accumulated Depreciation on that date as "NIL". Depreciation has been charged since in terms of Companies Act 2013. Hence, the Accumulated Depreciation represents cumulative figures since 1st April, 2015 only. Due to this, there are differences in the figure of Gross Block and Accumulated Depreciation between the Fixed Assets schedule as above and Fixed Assets Register. However the Net Block figures are in complete agreement with Fixed Assets Register.
- e) Freehold Building other than RCC Structure represents Steel Structure.
- f) During the financial year 2025-26, the interior fit-out works at the Company's Corporate Office at World Trade Centre, New Delhi were completed and handed over on 2nd February, 2026. In accordance with Ind AS 16, the asset has been capitalised from that date. The total cost capitalised, based on bills submitted and approved by the implementing agency, amounts to ₹ 1,003.15 Lakhs. Out of this, an amount of ₹ 855.27 Lakhs was paid prior to capitalisation. The balance of ₹ 147.88 Lakhs, representing pending payments subject to verification and final settlement, has been booked as a provision as at 31st March, 2026. The formal closure of the project and the final settlement of these bills will take place in the financial year 2026-27. The final liability upon settlement will not exceed the provisioned amount and may be lower. Any reduction in the final liability will be adjusted against the gross block of the respective asset classes in the financial year 2026-27. Consequential adjustment to depreciation will be accounted for as a change in accounting estimate in accordance with Ind AS 8, applied prospectively from the date of handover.
- g) Intangible assets under development ageing schedule:

As at 31st March 2026
(Amount in ₹ Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.00	-	-	-	48.00
Projects temporarily suspended	-	-	-	-	-

As at 31st March 2025
(Amount in ₹ Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

3 . Investment in Unquoted Equity Shares, fully paid up-carried at cost

Particulars	No. of Shares		Amount (₹ in Lakhs)	
	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025
(a) Investment in 50:50 Joint Venture Company				
Mahindra MSTC Recycling Private Limited (Face Value ₹ 10/- each)	40,000,000	35,000,000	4,000.00	3,500.00
Less: Provision for Impairment in Investment with MMRPL	-	-	(1,150.00)	(1,006.00)
Net Investment in 50:50 Joint Venture Company			2,850.00	2,494.00
Total Investments			2,850.00	2,494.00

Notes:

- a) During F.Y. 2025-26 MSTC Limited have invested ₹ 500 Lakhs (Previous Year ₹ 500 Lakhs) towards unquoted equity contribution in Mahindra MSTC Recycling Private Limited.
- b) In terms of impairment testing under Ind AS 36, the recoverable amount of the investment in MMRPL was determined based on the fair value derived using the Discounted Cash Flow (DCF) method. The fair value of MSTC Limited's investment in MMRPL as on 31st March 2026, was assessed at ₹ 2,850.00 Lakhs (Previous FY ₹ 2,494.00 Lakhs), compared to the carrying amount of ₹ 4,000.00 Lakhs (Previous FY ₹ 3,500.00 Lakhs). Accordingly, a differential impairment loss of ₹ 144.00 Lakhs (Previous FY ₹ 1,006.00 Lakhs) has been recognized in the Standalone Financial Statements. With this the cumulative impairment loss till date stands at ₹ 1,150.00 Lakhs (Previous FY ₹ 1,006.00 Lakhs).
- b) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration received was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 Lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 Lakhs, which were directly attributable to the transaction. After accounting for these deductions, the net proceeds from Disposal of Investment in wholly owned subsidiary amounted to ₹ 30,169.19 Lakhs.

4 . Other Financial Assets (Non Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Security deposits	129.73	156.22
(b) Loans to employees	160.13	189.15
(c) Balance with scheduled banks in deposit accounts	0.80	0.80
Total	290.66	346.17

4.1 The term deposits are pledged with banks as margin for guarantees and lockers.

5 . Non-Current Tax Assets
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Advance payment of Taxes	62,673.55	61,720.78
Less: Provision for Taxation	58,932.51	55,125.13
Total	3,741.04	6,595.65

6 . Deferred Tax Assets (Net)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Through Profit or Loss		
Deferred Tax (Liabilities) / Assets:		
Tax effect of items constituting Deferred Tax Liabilities		
EFBS Scheme	(27.96)	(35.33)
On difference between Book Balance and Tax Balance of Property, Plant and Equipment & Intangible Assets	(520.31)	(211.49)
Tax effect of items constituting Deferred Tax Liabilities	(548.27)	(246.82)
Tax effect of items constituting Deferred Tax Assets		
Allowances for doubtful debts / advances	8,766.16	8,788.93
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,189.34	1,077.20
Tax effect of items constituting Deferred Tax Assets	9,955.50	9,866.13
Deferred Tax (Liabilities) / Assets (Net) (through P&L)	9,407.23	9,619.31
(b) Through Other Comprehensive Income		
Tax effect of items constituting Deferred Tax Assets		
Remeasurement of Defined Benefit Plan	144.02	163.45
Deferred Tax (Liabilities) / Assets (Net) (through OCI)	144.02	163.45
Deferred Tax (Liabilities) / Assets (Net)	9,551.25	9,782.76

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

7. Other Assets (Non Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Advance with Public Bodies I.T.(TDS), GST & Sales Tax	5,167.19	1,588.73
(b) Other Advances		
(i) Prepaid Expenses	51.08	67.56
(ii) Capital Advance and Others*	5.55	13,192.30
(iii) Gratuity	21.89	123.01
Total	5,245.71	14,971.60

*Capital Advance and Others includes an amount of ₹ NIL (Previous Year: ₹ 12,965.33 Lakhs paid towards the acquisition of office space at New Delhi from the Ministry of Housing and Urban Affairs (MoHUA) through NBCC (India) Limited. In terms of Possession and No Dues Certificate issued by NBCC (India) Limited on behalf of MoHUA dated 01.04.2025, the possession of the said unit has been formally handed over to MSTC Limited.)

8. Trade Receivables (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Trade receivables		
(a) Considered Good - Secured	17,253.25	24,548.87
(b) Considered Good - Unsecured	5,437.23	6,405.52
(c) Credit Impaired	44,102.32	44,192.82
Less: Allowance for Doubtful Trade Receivables	44,102.32	44,192.82
Total	22,690.48	30,954.39

Notes:

8.1 Trade Receivables

As at 31st March 2026

(Amount in ₹ Lakhs)

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables - Considered Good	11,253.20	1,132.05	427.37	121.49	9,756.37	22,690.48
Undisputed Trade Receivables - Considered Doubtful	-	-	-	121.49	707.60	829.09
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	43,273.23	43,273.23
Less: Allowance for Doubtful trade receivables	-	-	-	121.49	43,980.83	44,102.32
Total	11,253.20	1,132.05	427.37	121.49	9,756.37	22,690.48

As at 31st March 2025

(Amount in ₹ Lakhs)

Undisputed Trade Receivables - Considered Good	19,638.65	707.32	721.13	120.66	9,766.63	30,954.39
Undisputed Trade Receivables - Considered Doubtful	-	103.05	-	120.66	691.00	914.71
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	43,278.11	43,278.11
Less: Allowance for Doubtful trade receivables	-	103.05	-	120.66	43,969.11	44,192.82
Total	19,638.65	707.32	721.13	120.66	9,766.63	30,954.39

Due date of Trade Receivables is considered from the date of Bill.

8.2: The Current Borrowings includes ₹ 14,361.97 Lakhs (Previous period ₹ 14,361.97 Lakhs) towards payment made by Standard Chartered Bank (SCB), after purchase of export bills of MSTC raised on foreign buyers against export of Gold Jewelleries to the buyers during 2008-09, under a Receivable Purchase Agreement. On non-receipt of the proceeds from the foreign buyers against the bills, SCB submitted claims with the Insurance Company, who, however, wrongfully repudiated the claim of SCB. Thereafter, SCB converted the receivables purchased from MSTC

under the Receivables Purchase Agreement into loans/ debts as if owing by MSTC, claimed the amount from MSTC with interest and filed a case, being the Original Application (OA) in the Debt Recovery Tribunal (DRT), Mumbai in the year 2012, which MSTC has denied and disputed. Against this petition, an Interim order claiming ₹ 22,251.00 lakhs was passed by the DRT, Mumbai on 16th September, 2017, which has been set aside by the Debt Recovery Appellate Tribunal (DRAT), Mumbai by its order dated 07th August, 2023. Consequently, the recovery proceedings have since been dropped. As a result of which MSTC has got refund of ₹ 9,000.00 Lakhs (pre-deposit amount towards hearing of appeal) along with interest of ₹ 534.03 lakhs. The attached properties have also been released. Other proceedings challenging the claim of SCB are also pending before various forums including Hon'ble High Court of Bombay, the Civil Court at Alipore, Kolkata initiated by MSTC both against SCB and the Insurance Company. SCB had also filed a Summary Suit in late 2012 in the Hon'ble Bombay High Court against ICICI Lombard claiming the same amount under the Policy from ICICI Lombard on account of the repudiation of the claim of SCB by ICICI Lombard. SCB has since withdrawn the suit against ICICI Lombard and Hon'ble Bombay High Court has also passed an order dated 17.01.2024 to this effect. Aggrieved by the unilateral withdrawal of suit by SCB against ICICI Lombard, MSTC has filed a counterclaim against SCB in the pending OA at DRT Mumbai. The claim of SCB is contingent upon the outcome of legal cases. Pending final disposal of all such Court cases where the matters are currently pending, MSTC has disclosed the amount simultaneously as Borrowings (vide Note No- 18(b)) and as Trade Receivables. The matter is sub-judice and is contingent in nature, at this juncture.

8.3: Trade Receivables are generally secured by Bank Guarantees.
8.4: Trade Receivable Credit Impaired Includes the following :

Name of the Party	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Gyscoal Alloys Ltd.	605.95	605.95
Meherkiran Enterprises Ltd.	4300.45	4300.45
Tirupati Fuels P. Ltd./BALAJI COKE	5548.71	5548.71
Sesa International Ltd.	5871.22	5871.22
Krishna Coke (India) Pvt. Ltd.	1965.07	1965.07
Siddartha Tubes Ltd.	555.63	555.63
Topworth Pipes and Tubes Ltd.	362.71	362.71
Topworth Urja & Metals Ltd.	589.42	594.30
Concast Steel and Power Ltd.	45.99	45.99
Jai Balaji Industries Ltd.	8182.39	8182.39
Total	28,027.54	28,032.42

MSTC has initiated all steps including legal action to realise the dues from the above customers. The related cases are pending before adjudicating authorities at various levels.

8.5: Trade Receivables include ₹ 7496.88 Lakhs (Previous Year ₹ 14782.24 Lakhs) ,against business done in facilitator mode(net of provision).

8.6: Trade Receivables include ₹ 5437.23 Lakhs (Previous Year ₹ 6405.51 Lakhs), against E-Commerce business (net of provision).

9 . Cash and Cash Equivalents

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Balance with scheduled banks		
(i) In Current Account	19,372.35	15,320.41
(ii) In Fixed Deposit Maturity less than 3 months	36,000.00	22,500.00
Total	55,372.35	37,820.41

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

10 . Bank Balances other than Cash & Cash Equivalents

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31.03.2025
(i) In Unclaimed dividend account	264.16	3,392.21
(ii) Deposits with maturity of more than 3 months but upto 12 months	77,121.57	94,659.87
Total	77,385.73	98,052.08

10.1. The deposit at (ii) includes Margin against guarantee ₹ 2,899.74 Lakhs (Previous Year ₹ 2,967.76 Lakhs).

11 . Other Financial Assets (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Security deposits for Tender	1,485.15	1,488.07
(b) Deposit with Court	7.46	4.92
(c) Other loans and advances		
(i) Loans to employees	27.03	32.11
(ii) Recoverable Advances to employees	54.42	38.34
(iii) Receivable from third party	222.85	147.80
(iv) Other Advances	0.46	-
(d) Interest accrued on		
(i) Term deposits	2,608.17	3,506.69
Total	4,405.54	5,217.93

11.1. No loan was given to Directors/KMP/Related Party as defined under the Companies Act, 2013.

12 . Other Assets (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
a) Advance with public bodies		
GST & Sales Tax	208.52	171.40
b) Other Advances		
(i) Advances to employees	199.71	245.64
(ii) Prepaid expenses *	150.96	40.29
(iii) Others	5.43	4.28
Total	564.62	461.61

* Includes ₹ 108.20 Lakhs (Previous Year- NIL) towards Advance Maintenance & Sinking Fund paid to NBCC India Ltd. in respect of the Corporate Office building situated at the World Trade Center, New Delhi.

13 . Share Capital

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Authorised:		
15,00,00,000 Ordinary Shares of ₹ 10 each	15,000.00	15,000.00
	15,000.00	15,000.00
Issued, Subscribed and fully paid up :		
704,00,000 Ordinary Shares of ₹ 10 each	7,040.00	7,040.00
	7,040.00	7,040.00

13(a)(i) Statement of Reconciliation of Shares Outstanding

Particulars	31 st March, 2026			31 st March, 2025		
	Number	Face Value (₹)	Amount (₹ in Lakhs)	Number	Face Value (₹)	Amount (₹ in Lakhs)
Opening Balance	70,400,000	10	7,040.00	70,400,000	10	7,040.00
Closing Balance	70,400,000	10	7,040.00	70,400,000	10	7,040.00

13(a)(ii) Rights, preferences and restrictions attached to equity shares.

The Company has only one class of ordinary shares ('Equity Shares') having a face value of ₹ 10 each. Each holder of ordinary shares ('Equity Shareholders') is entitled to one vote per share and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

13(a)(iii) : 3,52,00,000 bonus shares have been issued during F.Y 2018-19 in the ratio of 1:1

13(a)(iv) : Details of shareholders holding more than 5% of the company.

Name of the Shareholder	31 st March, 2026		31 st March, 2025		% Change
	No. of shares held	% of holding	No. of shares held	% of holding	
President of India (Promoter)	45,580,800	64.75%	45,580,800	64.75%	Nil

The Government of India has divested its 25.10 % stake in MSTC Ltd. through IPO during March 2019. Equity shares of MSTC Limited are listed and traded on both BSE Limited and National Stock Exchange of India Limited w.e.f. 29th March, 2019. Change in shareholding pattern post IPO is as following:

Shareholders	Pre IPO%	Post IPO%
Government of India through President of India (Promoter)	89.85%	64.75%
Others	10.15%	35.25%
Total	100.00%	100.00%

14 . Other Equity

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
(1) General Reserve		
Opening balance	49,616.00	49,616.00
Add: Transfer from Retained Earnings	-	-
Closing Balance	49,616.00	49,616.00
(2) Retained Earnings		
Opening balance	18,523.16	9,801.08
Add: Profit for the year	22,168.87	40,298.09
Other Comprehensive income for the year	57.77	455.99
Less: Interim Dividend 2025-26	(5,350.40)	-
Less: Final Dividend 2023-24	-	(3,520.00)
Less: Interim Dividend 2024-25	-	(28,512.00)
Closing Balance	35,399.40	18,523.16
Total Other Equity(1+2)	85,015.40	68,139.16

15 . Other Financial Liabilities (Non Current)

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Liability under EFBS Scheme	314.89	356.28
Lease Liability	23.14	-
Total	338.03	356.28

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

16 . Provision (Non Current)

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
(a) Provision for Post Retirement Medical Scheme	1,030.74	958.29
(b) Provision for Leave Encashment	616.57	729.84
Total	1,647.31	1,688.13

17 . Other Liabilities (Non Current)

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Advance from customers	1,092.78	1,030.96
Total	1,092.78	1,030.96

18 – Borrowings (Current)

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
A. Secured Borrowings		
(a) Repayable on Demand		
Working Capital Demand Loans	138.23	138.23
Total Secured Borrowings	138.23	138.23
B. Unsecured Borrowings		
Repayable on Demand From Banks	14,361.97	14,361.97
Total Unsecured Borrowings	14,361.97	14,361.97
Total(A+B)	14,500.20	14,500.20

- a) Loan from Indian Overseas Bank (IOB) amounting to ₹ 138.23 Lakhs : (Iying since 19th September, 2011) This amount represents legal fees paid by the bank in defending their claims to which the Company has lodged its protest with the Bank. MSTC has filed a case in Hon'ble High Court of Calcutta against IOB for ₹ 3,656.00 Lakhs (which includes ₹ 2,798.00 Lakhs towards debit of LC value & ₹ 858.00 Lakhs as debit towards legal expenses).
- b) The Current Borrowings includes ₹ 14,361.97 Lakhs (Previous period ₹ 14,361.97 Lakhs) towards payment made by Standard Chartered Bank (SCB), after purchase of export bills of MSTC raised on foreign buyers against export of Gold Jewelleries to the buyers during 2008-09, under a Receivable Purchase Agreement. On non-receipt of the proceeds from the foreign buyers against the bills, SCB submitted claims with the Insurance Company, who, however, wrongfully repudiated the claim of SCB. Thereafter, SCB converted the receivables purchased from MSTC under the Receivables Purchase Agreement into loans/ debts as if owing by MSTC, claimed the amount from MSTC with interest and filed a case, being the Original Application (OA) in the Debt Recovery Tribunal (DRT), Mumbai in the year 2012, which MSTC has denied and disputed. Against this petition, an Interim order claiming ₹ 22,251.00 lakhs was passed by the DRT, Mumbai on 16.09.2017, which has been set aside by the Debt Recovery Appellate Tribunal (DRAT), Mumbai by its order dated 07.08.2023. Consequently, the recovery proceedings have since been dropped. As a result of which MSTC has got refund of ₹ 9,000.00 Lakhs (pre-deposit amount towards hearing of appeal) along with interest of ₹ 534.03 lakhs. The attached properties have also been released. Other proceedings challenging the claim of SCB are also pending before various forums including Hon'ble High Court of Bombay, the Civil Court at Alipore, Kolkata initiated by MSTC both against SCB and the Insurance Company. SCB had also filed a Summary Suit in late 2012 in the Hon'ble Bombay High Court against ICICI Lombard claiming the same amount under the Policy from ICICI Lombard on account of the repudiation of the claim of SCB by ICICI Lombard. SCB has since withdrawn the suit against ICICI Lombard and Hon'ble Bombay High Court has also passed an order dated 17.01.2024 to this effect. Aggrieved by the unilateral withdrawal of suit by SCB against ICICI Lombard, MSTC has filed a counterclaim against SCB in the pending OA at DRT Mumbai. The claim of SCB is contingent upon the outcome of legal cases. Pending final disposal of all such Court cases where the matters are currently pending, MSTC has disclosed the

amount simultaneously as Unsecured Borrowings and as Trade Receivables (vide Note No. - 8.2). The matter is sub-judice and is contingent in nature, at this juncture.

19. Trade payables (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Creditors for supplies and services		
- Dues to micro and small enterprises	-	5.99
- Others	12,616.32	12,305.28
Total trade payables	12,616.32	12,311.27

Notes:
19.1 Trade Payables (Current)

Particulars	Less Than 1Year	1-2 Years	2-3 years	More Than 3 Years	Total
As at 31st March, 2026					
MSME	-	-	-	-	-
Others	599.88	38.31	76.28	11,901.85	12,616.32
Total	599.88	38.31	76.28	11,901.85	12,616.32
As at 31st March, 2025					
MSME	5.99	-	-	-	5.99
Others	343.32	76.28	76.28	11,809.40	12,305.28
Total	349.31	76.28	76.28	11,809.40	12,311.27

(a) Due date is from the date of billing and/or from the date of accounting, as the case may be. There is no disputed dues.

(b) Both as at 31st March, 2026 and as at 31st March, 2025, there is no interest and overdue payment of more than 45 days outstanding to Micro, Small and Medium Enterprises (MSME).

20. Other Financial Liabilities (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Interest payable		
(i) Interest accrued but not due on borrowings	7,889.03	7,889.03
(b) Unclaimed dividends	264.16	3,392.19
(c) Creditors for other liabilities		
(i) Security deposits/EMD	47,750.29	59,713.95
(ii) Deposits received from customers	20,567.82	32,409.71
(iii) Deposit under EFBS	255.16	255.16
(iv) Payable under EFBS Deposit schemes	70.66	70.66
(v) Others	30.70	31.17
(d) Accrued wages and salaries*	1,618.78	2,013.66
(e) Lease Liability	-	-
Total	78,446.60	105,775.53

(a) * Includes ₹ 193.78 Lakhs (Previous Year ₹ 461.67 Lakhs) towards provision for pension benefit of employees.

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

21 . Other Liabilities (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Statutory Dues		
(i) GST and Professional Tax Payable	824.53	484.68
(ii) Tax Deducted and Collected at Source	369.40	1,120.29
(b) Advance from customers	756.85	718.06
Total	1,950.78	2,323.03

22. Provision (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Provision for PF Trust #	85.96	12.96
Total	85.96	12.96

This represents the provision for ₹ 85.96 lakhs (Previous Year - ₹ 12.96 lakhs) towards the contribution for deficit in income of PF Trust. (Refer Note No. - 35).

23 . Revenue from Operations

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Service Charges	33,120.34	28,306.68
(b) Other Operating Revenues	3,845.32	2,789.28
Total	36,965.66	31,095.96

a) During the year, an amount of ₹ 1,189.14 Lakhs (Previous Year ₹ 872.06 Lakhs) was collected towards E-auction Registration. Out of total collection of current year, an amount of ₹ 818.66 Lakhs (Previous Year ₹ 616.73 Lakhs) has been kept in liabilities to be distributed in subsequent four years as per accounting policy, since related registration is valid for life long. Accumulated undistributed balance standing as on 31st March, 2026 is ₹ 1,849.63 Lakhs (Previous Year ₹ 1,749.02 Lakhs). Balances for which registration is valid upto one year is accounted for as income during the current period.

b) Other Operating Revenues also include Interest from customers ₹ 2,398.65 Lakhs (Previous Year ₹ 1,529.76 Lakhs) .

24 . Other Income

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Interest income		
(i) Interest on FDR	6,834.79	7,246.37
(ii) Interest on Employee Advances	12.08	14.49
(b) Liability written back #	1,471.19	-
(c) Miscellaneous income	19.97	393.38
Total	8,338.03	7,654.24

Liability written back above represent ₹ 1,471.19 Lakhs (Previous Year - NIL) liabilities ageing more than five years written back in terms of Accounting Policy approved by the Board.

25 . Employee Benefits Expense

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Salaries and Wages	7,748.77	7,632.14
(b) Contribution to Provident and other funds (*)	1,174.52	635.00
(c) Staff welfare expenses	949.21	864.99
Total	9,872.50	9,132.13

(*) Contribution to Provident and other funds above include ₹ 238.17 Lakhs (Previous Year - NIL) pertaining to liability on account of increase in Gratuity limit from ₹ 20.00 Lakhs to ₹ 25.00 Lakhs (due to increase in DA above 50% of Basic Pay in terms of DPE guidelines).

26 . Finance costs

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Interest expense	-	18.00
Interest paid to Customers	-	18.00
Total	-	18.00

26A . Impairment Losses

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Impairment Loss on Investment in Joint Venture (MMRPL)	144.00	1,006.00
Total	144.00	1,006.00

MSTC Limited holds a 50% equity stake in Mahindra MSTC Recycling Private Limited (MMRPL). In terms of impairment testing under Ind AS 36, the recoverable amount of the investment in MMRPL was determined based on the fair value derived using the Discounted Cash Flow (DCF) method.

The fair value of MSTC Limited's investment in MMRPL as on 31st March, 2026, was assessed at ₹ 2,850.00 Lakhs (Previous FY ₹ 2,494.00 Lakh), compared to the carrying amount of ₹ 4,000.00 Lakhs (Previous FY ₹ 3,500.00 Lakh). Accordingly, a differential impairment loss of ₹ 144.00 Lakh (Previous FY ₹ 1,006.00 Lakh) has been recognized in the Standalone Financial Statements. With this the cumulative impairment loss till date stands at ₹ 1,150.00 Lakh (Previous FY ₹ 1,006.00 Lakh).

27 . Other Expenses

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
(a) Repairs and Maintenance	1,200.92	1,024.54
(b) EDP Expenses	175.54	152.36
(c) Insurance charges	7.05	4.46
(d) Rent	306.66	363.45
(e) Rates and taxes	429.25	30.00
(f) Bank Charges	16.06	15.16
(g) Travelling Expenses	262.10	164.63
(h) Foreign Travelling Expenses	-	-
(i) Car Hire Charges	189.86	169.31
(j) Meeting and Conference	79.25	84.09
(k) Training	27.58	43.54
(l) Directors' Sitting Fees	10.00	5.20
(m) Statutory Auditor's Remuneration		
(i) Audit Fees	12.70	11.60
(ii) Tax Audit Fees	1.50	1.75
(iii) Out-of-Pocket Expenses	3.61	3.95
(n) Stock Yard Expenses	0.11	7.25
(o) Telex, Postage and Telegram	7.82	5.57
(p) Electricity	139.07	121.84
(q) Printing and Stationery	27.11	27.79
(r) Entertainment	25.11	26.31
(s) Telephone Charges	68.47	63.82
(t) Advertisement	135.96	79.48
(u) Legal Expenses	358.39	172.11
(v) Consultancy Charges	89.52	93.09

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
(w) Internal Audit fees	4.32	5.10
(x) Out-of-Pocket Expenses (Internal Auditor)	18.02	9.17
(y) Staff Recruitment Expenses	53.13	8.15
(z) Newspaper, Books and Periodicals	3.85	3.32
(aa) Corporate Social Responsibility (Refer Note No- 37) #	734.64	480.81
(ab) Auction Tender Expenses	241.43	169.16
(ac) Allowance for Bad and Doubtful Advances	(90.50)	51.64
(ad) Miscellaneous Expenses *	135.81	142.11
(ae) Research & Development Expense	-	65.67
(af) Plot Rent	7.46	7.46
Total	4,681.80	3,613.89

* The Government of India notified new labour codes, effective from 21st November, 2025. The Ministry of Labour & Employment has published draft Rules and FAQs to enable assessment of the financial impact due to changes in regulation. The Company has provided for ₹ 10.20 Lakhs (Previous Year - NIL) on account of Gratuity liability of fixed term employees in this regard, in terms of Actuarial Valuation based on internal assessment of the Company. The Company continues to monitor the notification of State Rules and clarifications from the Government on other aspects of the Labour Code. It is also in the process of detailed assessment and would provide appropriate accounting effect on the basis of such developments as needed.

Corporate Social Responsibility (CSR) Expenses above includes Unspent CSR provision amount of ₹ 34.64 Lakhs (Previous Year - NIL)

27A. Exceptional Items: Income/(Expenses)

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Disposal of Investment in wholly owned subsidiary (#)	-	30,169.19
Litigation Settlement (@)	-	(3,850.33)
Total	-	26,318.86

(#) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 lakhs, which were directly attributable to the transaction. Taking into account for these deductions, the net proceeds from disposal of Investment in wholly owned subsidiary amounted to ₹ 30,169.19 lakhs.

(@) Litigation settlement in the previous FY 2024-25, includes expenditure of ₹ 3,850.33 lakhs (USD 38.93 Lakhs and ₹ 481.98 Lakhs) towards payment and provision on account of very old arbitration awards.

28. The Company has provided material as facilitator as per details below:

Description of Material		(Amount in ₹ Lakhs)		
		Qty (As Applicable)	Material Value	Service Charges Earned
Cement (MT)	2025-26	7,970.00	563.19	12.56
	2024-25	34,587.00	1,733.90	37.94
HSD (KL)	2025-26	7,198.00	5,826.27	36.04
	2024-25	7,448.00	6,694.39	47.04
Misc Items	2025-26	-	-	6.11
	2024-25	14,776.00	1,219.00	13.27
TMT Bar	2025-26	-	-	-
	2024-25	-	-	1.47

		(Amount in ₹ Lakhs)		
Description of Material		Qty (As Applicable)	Material Value	Service Charges Earned
MS Sheet/Plate/Flat (MT)	2025-26	10,445.00	7,878.00	54.35
	2024-25	2,825.00	1,958.00	37.14
Bitumin (MT)	2025-26	-	-	-
	2024-25	300.00	100.00	0.60
HR Coil (MT)	2025-26	2,190.00	1,230.15	39.67
	2024-25	8,425.00	5,995.00	47.86
Total	2025-26	27,803.00	15,497.61	148.73
	2024-25	68,361.00	17,700.29	185.32

29. Segmental Reporting as per IndAS 108:

In terms of IndAS 108 the Company has identified Marketing and E-Commerce as its two Primary Reportable Business Segments.

		(Amount in ₹ Lakhs)			
Particulars		Marketing	E-Commerce	Others (unallocated)	Total
Total Income	2025-26	2,547.38	41,253.07	1,503.24	45,303.69
	2024-25	1,715.08	36,627.25	407.87	38,750.20
Total expenses	2025-26	9.17	333.47	15,391.98	15,734.62
	2024-25	86.66	326.91	14,265.21	14,678.78
Profit before Exceptional items and Tax	2025-26	2,538.21	40,919.60	(13,888.74)	29,569.07
	2024-25	1,628.42	36,300.34	(13,857.34)	24,071.42
Exceptional Items: Income/(Expenses)	2025-26	-	-	-	-
	2024-25	-	-	26,318.86	26,318.86
Result (Profit/Loss(-) before Tax)	2025-26	2,538.21	40,919.60	(13,888.74)	29,569.07
	2024-25	1,628.42	36,300.34	12,461.52	50,390.28
Tax expenses	2025-26				7,400.20
	2024-25				10,092.19
Profit/ Loss(-) for the period	2025-26				22,168.87
	2024-25				40,298.09

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between the segments. Hence the Management believes, that it is currently not practicable to provide segmentwise disclosure relating to assets and liabilities.

The Board of Directors, in its 335th meeting held on 12th November, 2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

Information about major customers

No single external customer amounting to 10 per cent or more of the entity's revenues exist.

30. Contingent Liabilities & Commitments
(a) Contingent Liabilities

		(Amount in ₹ Lakhs)	
Sl No.	Particulars	31 st March, 2026	31 st March, 2025
1	Sales Tax & VAT	1,994.06	2,006.44
2	GST	5.34	3.90
3	Customs Act	1,189.31	1,189.31
4	Money Suits	15,774.51	15,777.63
5	Arbitration	9,229.57	-
6	Income Tax	25,773.50	18,475.22
7	Service Tax	1,490.10	1,490.10
8	Outstanding Bank Guarantees	492.04	560.06
Total		55,948.43	39,502.66

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

(b) Commitments

		(Amount in ₹ Lakhs)	
SI No.	Particulars	31 st March, 2026	31 st March, 2025
1	Purchase of New Office at New Delhi	-	1,502.07
2	Intangible Assets under development	246.62	-
Total		246.62	1,502.07

31. Tax Expenses

(i) Income Tax Recognised in Profit or Loss

		(Amount in ₹ Lakhs)	
Particulars		31 st March, 2026	31 st March, 2025
(1) Current tax			
- For the period		7,188.12	10,168.67
(2) Deferred tax		212.08	(76.48)
Total income tax expense recognised in the current year		7,400.20	10,092.19

(ii) The income tax expense for the period can be reconciled to the accounting profit/(loss) as follows:

		(Amount in ₹ Lakhs)	
Particulars		31 st March, 2026	31 st March, 2025
(1) Profit before tax for the period			
(a) From Business Income		29,569.07	20,221.09
(b) From Long Term Capital Gain arising from Sale of Wholly owned Subsidiary (#)		-	30,169.19
(2) Income tax expense			
(a) From Business Income calculated at 25.168 %		7,441.94	5,089.24
(b) From Long Term Capital Gain arising from Sale of Wholly owned Subsidiary calculated at 14.625 %		-	7,592.98
(3) Effect of expenses that are not deductible in determining taxable profit		(41.74)	(5.30)
(4) Effect of Taxes on Bad Debt written off		-	(2,584.73)
Total income tax expense recognised in the current year		7,400.20	10,092.19

(#) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration received was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 lakhs, which were directly attributable to the transaction. After accounting for these deductions, the net long-term capital gain arising from the sale amounted to ₹ 30,169.19 Lakhs.

The tax rate used for the year 2025-26 in the reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the new regime of Indian tax law. The tax rate used for the previous financial year 2024-25 in the reconciliations above is the corporate tax rate of 25.168% for business income and 14.625 % for Long Term Capital Gain arising from Sale of Wholly owned Subsidiary payable by corporate entities in India on taxable profits under the new regime of Indian tax law. For Deferred Tax calculation of financial year 2025-26 and 2024-25, income tax rate considered is 25.168%.

The company has booked Impairment Loss related to Investment in JV company "Mahindra MSTC Recycling Private Limited" amounting to ₹ 1,006.00 lakhs in FY 2024-25 and ₹ 144.00 lakhs in FY 2025-26. However, as a conservative approach, it has not created any deferred tax assets amounting to ₹ 253.19 lakhs in FY 2024-25 and ₹ 36.24 lakhs in FY 2025-26 on Impairment losses.

iii) Movement in Deferred Tax

			(Amount in ₹ Lakhs)
Particulars	31 st March, 2025	Charge/ (credit) for the Year	31 st March, 2026
Through Profit or Loss			
Deferred Tax Liabilities			
Employee Family Benefit Scheme	(35.33)	7.37	(27.96)
Property, Plant & Equipment and Intangible Assets	(211.49)	(308.82)	(520.31)
Total Deferred Tax Liabilities	(246.82)	(301.45)	(548.27)
Deferred Tax Assets			
Provision against other expenses	1,077.20	112.14	1,189.34
Allowance for Doubtful Debts & Advances	8,788.93	(22.77)	8,766.16
Total Deferred Tax Assets	9,866.13	89.37	9,955.50
Total Deferred Tax (Liabilities)/ Assets	9,619.31	(212.08)	9,407.23
Through Other Comprehensive Income			
Deferred Tax Assets			
Remeasurement of Defined Benefit Plan	163.45	(19.43)	144.02
Gross Deferred Tax (Liabilities)/ Assets	9,782.76	(231.51)	9,551.25

32 . Earnings Per Share

			(Amount in ₹ Lakhs)
Particulars	31 st March, 2026	31 st March, 2025	
Profit for the year	22,168.87	40,298.09	
Profit attributable to Shareholders	22,168.87	40,298.09	
Weighted average No. of Shares for Basic EPS	70,400,000	70,400,000	
Nominal value of Ordinary Shares (₹)	10.00	10.00	
Basic/Diluted Earnings per Share (₹ Per Share)	31.49	57.24	

33. Disclosures on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the standalone financial statements.

(1) Categories of Financial Instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities as at the year end. The Carrying value is equivalent to the Fair value.

				(Amount in ₹ Lakhs)
Financial assets	31 st March, 2026	31 st March, 2025	Measured at	
Trade Receivables	22,690.48	30,954.39	Amortised cost	
Other Financial Assets	4,696.20	5,564.10	Amortised cost	
Cash and Cash Equivalents	55,372.35	37,820.41	Amortised cost	
Other Bank Balances	77,385.73	98,052.08	Amortised cost	
Investments	2,850.00	2,494.00	Amortised cost	
Total Financial Assets	162,994.76	174,884.98		
				(Amount in ₹ Lakhs)
Financial Liabilities	31 st March, 2026	31 st March, 2025	Measured at	
Borrowings	14,500.20	14,500.20	Amortised cost	
Trade Payables	12,616.32	12,311.27	Amortised cost	
Other Financial Liabilities	78,784.63	106,131.81	Amortised cost	
Total Financial Liabilities	105,901.15	132,943.28		

(2) Capital Management

The Company manages its capital to ensure that the Company is able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

(3) Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company. These risks include market risk (like- currency risk, interest rate risk and other price risk), credit risk and liquidity risk. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade of financial instruments, including derivative financial instruments, for speculative purposes.

(a) Market Risk

The Company's activities exposes it, primarily to the financial risks of changes in foreign currency exchange rates. On a case to case basis, the Company enters into Forward foreign exchange contracts to hedge the exchange rate risk, as and when necessary.

(i) Interest rate risk management

The company endeavours to convert its loans to MCLR based, hence the rate is firm for a contract period usually for a year, as and when necessary.

(ii) Foreign Currency risk management

Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gain/(loss) are not recognized in the books of the Company.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transact with entities that are rated by agencies where available and if not available, the company uses other publicly available financial information and its own past records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are monitored and the aggregated value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Senior management committee. Furthermore, in case of Marketing Segment, the Business is done with backup of Bank Guarantee.

(c) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual undiscounted cash obligations of financial liabilities including estimated interest payments for the period 31st March, 2026 and as at 31st March, 2025.

(Amount in ₹ Lakhs)

Financial Liabilities	Carrying Amount	31 st March, 2026			
		Contractual Cash Flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	14,500.20	14,500.20	14,500.20	-	-
Trade payables	12,616.32	12,616.32	12,616.32	-	-
Other financial liabilities	78,784.63	79,024.68	78,448.29	222.87	353.52
Total	105,901.15	106,141.20	105,564.81	222.87	353.52

(Amount in ₹ Lakhs)

Financial Liabilities	Carrying Amount	31 st March, 2025			
		Contractual Cash Flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	14,500.20	14,500.20	14,500.20	-	-
Trade payables	12,311.27	12,311.27	12,311.27	-	-
Other financial liabilities	106,131.81	106,272.17	105,775.53	252.90	243.74
Total	132,943.28	133,083.64	132,587.00	252.90	243.74

(d) Fair value Measurement

None of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

34. Related Party Disclosure
(i) Name of the related parties and description of relationship:
1) Join Venture

Mahindra MSTC Recycling Private Limited

2) Key Managerial Personnel

Shri Manobendra Ghoshal

Chairman and Managing Director

Shri Subrata Sarkar

Director (Finance) & CFO

Smt. Bhanu Kumar

Director (Commercial)

Smt. Alka Chandrakar

Independent Director

Shri Chandra Shekar Baghel

Independent Director

Shri Ramesh Kumar Soni (upto 14.04.2026)

Independent Director

Shri Adya Prasad Pandey (upto 31.10.2024)

Independent Director

Shri Vasant Ashok Patil (upto 31.10.2024)

Independent Director

Shri Ajay Kumar Rai

Company Secretary

(ii) Transaction with Related Parties
(a) Compensation to Key Managerial Personnel
(Amount in ₹ Lakhs)

Particulars	Nature of related party / relationship	Remuneration			Total
		Short Term Benefit	Post Employment	Other Long Term Benefits	
For the year ended 31 st March, 2026					
Shri Manobendra Ghoshal	Chairman and Managing Director	103.70	11.60	6.29	121.59
Shri Surinder Kumar Gupta (Upto 31.12.2023)	Chairman and Managing Director	16.44	-	-	16.44
Shri Subrata Sarkar	Director (Finance) & CFO	89.70	9.09	(1.52)	97.27
Smt. Bhanu Kumar	Director (Commercial)	102.35	11.72	(0.29)	113.78
Smt. Alka Chandrakar	Independent Director	2.60*	-	-	2.60
Shri Chandra Shekar Baghel	Independent Director	2.80*	-	-	2.80
Shri Ramesh Kumar Soni (upto 14.04.2026)	Independent Director	4.60*	-	-	4.60
Shri Ajay Kumar Rai	Company Secretary	56.17	5.15	3.38	64.70

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

(Amount in ₹ Lakhs)

Particulars	Nature of related party / relationship	Remuneration			Total
		Short Term Benefit	Post Employment	Other Long Term Benefits	
For the year ended 31 st March, 2025					
Shri Manobendra Ghoshal (From 01.01.2024)	Chairman and Managing Director	72.30	4.94	6.89	84.13
Shri Surinder Kumar Gupta (Upto 31.12.2023)	Chairman and Managing Director	1.30	2.68	-	3.98
Shri Subrata Sarkar	Director (Finance) & CFO	53.71	4.37	3.44	61.52
Smt. Bhanu Kumar	Director (Commercial)	63.04	6.15	3.44	72.63
Shri Ajay Kumar Rai	Company Secretary	44.18	4.14	2.12	50.44
Shri Adya Prasad Pandey (upto 31.10.2024)	Independent Director	2.40*	-	-	2.40
Shri Vasant Ashok Patil (upto 31.10.2024)	Independent Director	2.80*	-	-	2.80

Note : * Indicates Director's Sitting Fees.

(a) Since the facility of private use of car for limited mileage is provided by the company to the Directors, such facility has not been considered as benefit/perquisite.

(b) The remuneration includes Performance related pay on actual payment basis.

(b) Transaction with Mahindra MSTC Recycling Private Limited (50:50 Joint Venture)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Investment in Joint Venture	500.00	500.00
Amount received towards reimbursement of expenditure	49.43	32.33
Amount received for providing E-Auction Service	27.93	35.61

35. Employee Benefits

Defined Contribution Plans

1. Pension

In terms of Ministry of Steel Directives Pension scheme for the employees of MSTC has been formulated, under Defined Contribution Plan. The company contributes annually to LIC of India / NPS through a Trust. LIC / NPS will provide the pension to the employees from the corpus created on account of employees, by way of contribution from MSTC (The Employer).

Defined Benefits Plans

1. Gratuity:

The Gratuity is payable on service severance in respect of eligible employees. The Gratuity is funded with LIC of India. The Company contributes in the fund every year as premium on the basis of demand raised by LIC of India.

a. Executives:

The Gratuity is calculated and paid as per the Payment of Gratuity Act, 1972. However, in terms of DPE guidelines, the maximum ceiling of Gratuity is ₹ 25,00,000/- wef 01.10.2025.

b. Non- Executives:

- The Gratuity payable to those who joined the company on or after 01.07.2014 is calculated and paid as per the Payment of Gratuity Act, 1972. However, in terms of DPE guidelines, the maximum ceiling of Gratuity is ₹ 25,00,000/- wef 01.10.2025.

- The Gratuity payable to those who joined the company prior to 01.07.2014 is calculated and paid considering

15/26 days' wages drawn by the employee on 31.10.2023 for every completed year of service till 30 years and one month's wages drawn by the employee on 31.10.2023 for every completed years of service in excess of 30 years and the calculated amount is without any ceiling.

2. Post Retirement Medical Benefit:

The Post Retirement Medical Benefit is a medical benefit to the superannuated employees and their spouse. The members will be covered through Mediclaim Insurance of the Insurance Company. This is available to superannuated employees at any hospital under the Mediclaim Insurance Policy. In addition to this expenses incurred in domiciliary treatment is also reimbursed as per prescribed ceiling. The benefits are funded through a separate trust formed for this purpose. The Company provides the corpus for this as per actuarial valuation.

3. Provident Fund:

The Company operates a Provident Fund scheme for its employees which is managed by an in-house Trust named 'Metal Scrap Trade Corporation Limited Contributory Provident Fund Trust'. Both employees and the Company contribute 12% of the qualifying basic salary and dearness allowance. Employees also have the option to contribute a higher percentage. The Trust is obligated to pay interest to the members at a rate not lower than the statutory rate notified by the Government of India (EPFO). Any shortfall between the actual investment income generated by the Trust and the interest distributed at the EPFO declared rate is to be met by the Company. Accordingly, the plan is classified as a Defined Benefit Plan under Ind AS 19, and an actuarial valuation has been carried out using the Projected Unit Credit Method (PUCM).

4. Risk Management

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long-term nature of the plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the fund.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(a) The company has recognised an amount of ₹ 804.95 Lakh (Previous Year ₹ 965.03 Lakhs) in the Statement of Profit and Loss for the current year as expenses under defined contribution plans.

(Amount in ₹ Lakhs)		
Benefit (Contribution to)	31st March, 2026	31st March, 2025
Provident Fund *	611.17	503.36
Pension	193.78	461.67
Total	804.95	965.03

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

* This represents the provision for ₹ 85.96 lakhs (Previous Year – ₹ 12.96 lakhs) towards the contribution for deficit in income of PF Trust in declaring the minimum rate of return as per EPFO.

(b) The company operates post retirement defined benefit plans as follows :

- i. Funded
 - a. Gratuity
 - b. Post Retirement Medical Benefit Scheme
 - c. Provident Fund

(c) Details of the Gratuity Plan are as follows :

Description	(Amount in ₹ Lakhs)	
	For the year ended	
	31 st March, 2026	31 st March, 2025
1. Assumptions		
a. Discount rate (per annum)	7.29%	6.66%
b. Estimated rate of return on plan assets (per annum)	7.29%	6.66%
c. Rate of escalation in salary (per annum)	Regular: 8% Contract: 0%	8.00%

2. Amounts recognised in Standalone statement of Profit and Loss in respect of Defined Benefit plans under Gratuity are as follows:

Description	(Amount in ₹ Lakhs)	
	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Current Service Cost	132.87	110.58
b. Past Service Cost	315.00	-
c. Service Cost	447.87	110.58
d. Net Interest on net defined benefit liability / (asset)	(11.70)	(5.73)
e. Cost recognized in P&L	436.17	104.85
Remeasurement on the net defined benefit liability/(asset):		
a. Actuarial (gain)/loss due to DBO Experience	(57.09)	(12.44)
b. Actuarial (gain)/loss due to DBO assumption changes	(100.85)	47.97
c. Actuarial (gain)/loss arising during period	(157.94)	35.53
d. Return on plan assets (greater)/less than discount rate	(20.25)	(19.17)
e. Actuarial (gains)/losses recognised in OCI	(178.19)	16.36
f. (Income)/Cost recognized in OCI	(178.19)	16.36

3. The current service cost and the net interest expenses for the year are included in the 'Employee Benefits Expense' line item in the Standalone Statement of Profit and Loss on the basis of Actuarial Valuation under IndAS 19.

4. The remeasurement of the Net Defined Benefit Liability is included in Other Comprehensive Income.

5 (a). Movements in the Present Value of the Defined Benefit Obligation are as follows:

Description	(Amount in ₹ Lakhs)	
	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Obligation as at the beginning of the year	2,153.37	2,042.41
b. Current Service Cost	132.87	110.58
c. Interest Cost on DBO	139.91	142.96
d. Past Service Cost- Plan Amendment	315.00	-
e. Acquisitions (credit)/cost	-	-

(Amount in ₹ Lakhs)

Description	31 st March, 2026	31 st March, 2025
f. Actuarial (gains) and losses arising from changes in financial assumptions	(100.85)	47.97
g. Actuarial (gains) and losses arising from experience adjustments	(57.09)	(12.44)
h. Benefits paid from plan asset	(164.86)	(178.11)
i. Closing defined benefit Obligation	2,418.35	2,153.37

5. (b). Movements in the Fair Value of the Plan Assets are as follows:
(Amount in ₹ Lakhs)

Description	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	2,276.38	2,124.19
b. Interest Income on plan assets	151.61	148.69
c. Employer Contributions	156.85	162.44
d. Return on plan assets greater/(lesser) than discount rate	20.26	19.17
e. Benefits paid	(164.86)	(178.11)
f. Fair Value of assets at the end of current period	2,440.24	2,276.38

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and escalation in salary. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ Lakhs)

Effect of a 1% change in Discount Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	(146.11)	(135.37)
(ii) closing balance of obligation	2,272.24	2,018.00
Decrease		
(i) aggregate current service and interest cost	165.52	154.09
(ii) closing balance of obligation	2,583.87	2,307.46

Effect of a 1% change in Salary Escalation Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	37.95	48.25
(ii) closing balance of obligation	2,456.30	2,201.62
Decrease		
(i) aggregate current service and interest cost	(30.32)	(47.98)
(ii) closing balance of obligation	2,388.03	2,105.39

7. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(d) Details of the Post Retirement Medical Benefit Scheme are as follows :

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
1. Assumptions		
a. Discount rate (per annum)	7.29%	6.66%
b. Medical Inflation (per annum)	5.00%	5.00%

STANDALONE FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

2. Amounts recognised in standalone statement of profit and loss in respect of defined benefit plans under Post Retirement Medical Benefit Scheme are as follows:

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Current service cost	60.68	56.13
b. Service Cost	60.68	56.13
c. Net Interest on net defined benefit liability / (asset)	60.35	103.79
d. Cost recognized in P&L	121.03	159.92
Remeasurement on the Net Defined Benefit Liability/(Asset):		
e. Actuarial (gain)/loss due to DBO Experience	324.71	(647.87)
f. Actuarial (gain)/loss due to DBO assumption changes	(187.65)	88.01
g. Actuarial (gain)/loss arising during period	137.06	(559.86)
h. Return on plan assets (greater)/less than discount rate	(36.07)	(65.84)
i. Actuarial (gains)/losses recognised in OCI	100.99	(625.70)
j. Adjustments for limit on net assets	-	-
k. (Income)/Cost recognized in OCI	100.99	(625.70)

3. The current service cost and the net interest expenses for the year are included in the 'Employee Benefits Expense' line item in the standalone statement of profit and loss.

4. The remeasurement of the net defined benefit liability is included in other comprehensive income.

5. Movements in the present value of the Defined Benefit Obligation are as follows:

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Obligation as at the beginning of the year	2,397.31	2,869.13
b. Current Service Cost	60.68	56.13
c. Interest Cost	156.19	196.97
d. Actuarial gains and losses arising from changes in financial assumptions (187.65)	88.01	
e. Actuarial gains and losses arising from experience adjustments	324.71	(647.87)
f. Benefits paid directly by the Company	(184.49)	(165.07)
g. Closing defined benefit Obligation	2,566.75	2,397.31

6. Movements in the Fair Value of the Plan Assets are as follows

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	1,439.02	1,331.18
b. Interest Income on plan assets	95.84	93.18
c. Employer Contributions	149.57	113.88
d. Return on plan assets greater/(lesser) than discount rate	36.07	65.84
e. Benefits paid	(184.49)	(165.07)
f. Fair Value of assets at the end of current period	1,536.01	1,439.02

7. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected medical cost inflation. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ Lakhs)

Effect of a 1% change in Discount Rate	31st March, 2026	31st March, 2025
Increase		
(i) aggregate current service and interest cost	(254.17)	(237.99)
(ii) closing balance of obligation	2,312.58	2,159.32
Decrease		
(i) aggregate current service and interest cost	309.71	290.03
(ii) closing balance of obligation	2,876.46	2,687.34

Effect of a 1% change in Medical Inflation Rate	31st March, 2026	31st March, 2025
Increase		
(i) aggregate current service and interest cost	226.46	193.73
(ii) closing balance of obligation	2,793.21	2,591.04
Decrease		
(i) aggregate current service and interest cost	(186.02)	(158.66)
(ii) closing balance of obligation	2,380.73	2,238.65

(e) Details of the Provident Fund Plan are as follows :

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The Company has an obligation to ensure minimum rate of return to the members as specified by Government of India. Accordingly, the Company has obtained report of the actuary, based on which overall interest earnings and cumulative surplus is more than the statutory interest payment requirement for all the periods presented. Further, contribution to employees' pension scheme is paid to the appropriate authorities.

Description	For the year ended	
	31st March, 2026	31st March, 2025
1. Assumptions		
a. Discount rate (per annum)	6.83%	6.66%
b. Assumed future interest accrual by EPFO (per annum)	8.25%	8.25%

2. Amounts recognised in standalone statement of profit and loss in respect of defined benefit plans under Provident Fund Plan are as follows:
(Amount in ₹ Lakhs)

Description	For the year ended	
	31st March, 2026	31st March, 2025
a. Current service cost	622.93	519.92
b. Service Cost	622.93	519.92
c. Cost recognized in P&L	622.93	519.92

3. The current service cost for the year are included in the 'Employee Benefits Expense' line item in the standalone statement of profit and loss.
4. Movements in the present value of the Defined Benefit Obligation are as follows:
(Amount in ₹ Lakhs)

Description	For the year ended	
	31st March, 2026	31st March, 2025
a. Obligation as at the beginning of the year	11,320.66	10,738.71
b. Net Current Service Cost	622.93	519.92
c. Interest Cost on Defined Benefit Obligation	943.21	861.75
d. Actuarial (Gain) / Loss	37.81	(1.90)
e. Benefits paid	(1,043.94)	(1,500.87)
f. Actual Plan Participants' Contributions	846.96	703.05
g. Projected Defined Benefit Obligation, End of Period	12,727.63	11,320.66
h. Interest Rate Guarantee (If any included in "g" above)	40.71	-
g. Closing defined benefit Obligation	12,727.63	11,320.66

5. Movements in the Fair Value of the Plan Assets are as follows:
(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	11,423.38	10,829.51
b. Interest Income on plan assets	873.57	881.97
c. Employer Contributions	622.93	519.92
d. Employee Contributions	846.96	703.05
e. Actuarial (Gain) / Loss	73.59	(10.21)
e. Benefits paid	(1,043.94)	(1,500.87)
f. Fair Value of assets at the end of current period	12,796.49	11,423.38

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and EPFO Interest Rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ Lakhs)

Effect of a 1% change in Discount Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66
Decrease		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66
Effect of a 1% change in EPFO Interest Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	1,163.10	1,077.80
(ii) closing balance of obligation	13,890.73	12,398.46
Decrease		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 68.86 Lakhs (Previous Year - ₹ 102.72 Lakhs) determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the remeasurement loss/(gains) in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Company.

As per the provisions of Employee's Provident Funds Scheme 1952, the employer shall be liable to make good the loss to the Trust in the event of any loss to the Trust. Keeping in view the above, a cumulative provision of ₹ 85.96 Lakhs (Previous Year - ₹ 12.96 lakh) has been recognized in the Statement of Profit and Loss, towards such loss to the trust.

36. Ratio

Statement Showing Liquidity/Operational/Performance Ratio :-

S l . No.	Description	Ratio as at 31 st March, 2026	Ratio as at 31 st March, 2025	Variance %	Notes
a)	Current Ratio Current Assets / Current Liabilities	1.49	1.28	16.61%	1
b)	Debt-Equity Ratio (Long term Borrowings + Short term Borrowings (including current maturities of long term borrowings) / (Total Equity)	NA	NA	NA	2
c)	Debt Service Coverage Ratio (Profit before interest, tax, depreciation, amortisation, impairments and exceptional items) / (Gross interest for the year + Principal repayments within a year)	NA	NA	NA	3
d)	Return on Equity Ratio (Net Profit after tax for the year / Total Equity)	24.08%	53.60%	-55.07%	4
e)	Inventory Turnover Ratio (Cost of materials consumed / Average Inventories for the year)	NA	NA	NA	5
f)	Trade Receivables Turnover Ratio (Revenue from sale of goods and services) / (Average Trade Receivable for the year)	1.38	0.97	42.50%	6
g)	Trade Payables Turnover Ratio (Purchase of goods and services) / (Average Trade Payable for the year)	1.12	1.00	11.00%	7
h)	Net Capital Turnover Ratio (Revenue from sale of goods and services) / (Working Capital i.e. Current Assets - Current Liabilities)	0.70	0.83	-15.41%	8
i)	Net Profit Ratio (Net Profit after tax for the year/ Revenue from operations)	59.97%	129.59%	-53.72%	9
j)	Return on Capital Employed (Profit before interest and tax / Average Debt and Shareholder Funds for the year)	34.11%	71.83%	-52.52%	10
k)	Return on Investment (Profit after Tax for the year / Net Worth - Investment)	24.85%	55.44%	-55.18%	11

Notes :

- Current Ratio has improved due to continuous cash profit earned by the company.
- Refer Note no. 18, Current Borrowings. The amounts appearing there in are sub judice and contingent in nature at this juncture, hence, not considered in the calculation of Debt-Equity ratio.
- Refer Note 2 above, as per the reasons mentioned there in, the Debt Service Coverage ratio is not applicable.
- The Return on Equity (ROE) ratio for previous FY 2024-25 saw a one-time increase due to a sharp increase in Net Profit After Tax, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary
- MSTC do not have any inventory, hence, not applicable.
- Trade Receivable Turnover Ratio increased due to reduction in Trade Receivables on account of better realisation.
- The Trade Payables Turnover Ratio increased due to efficient working capital management and strong liquidity.
- Net Capital Turnover Ratio decreased due to reduction in sale of goods and services and increase in working capital.

9. Net Profit Ratio for previous FY 2024-25 saw a one-time increase due to a sharp increase in Net Profit After Tax, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary.
10. The Return on Capital Employed (ROCE) ratio for previous FY 2024-25 saw a one-time increase due to a sharp increase in Profit, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary.
11. The Return on Investment (ROI) ratio for previous FY 2024-25 saw a one-time increase due to a sharp increase in Net Profit After Tax, primarily driven by a non-recurring exceptional gain from the sale of a wholly owned subsidiary.

37 . Expenditure Incurred on Corporate Social Responsibility Activities

- (a) The minimum Gross amount required to be spent by the company during the year is ₹ 696.00 Lakhs (Previous Year - ₹ 479.00 Lakhs).
- (b) In accordance to section 135 of Companies Act 2013, the company has incurred ₹ 734.64 Lakhs (Previous Year - ₹ 480.81 Lakhs), as CSR expenditure.

(Amount in ₹ Lakhs)		
Particulars	31 st March, 2026	31 st March, 2025
Purchase of Medical Equipments	425.66	399.94
Mobile Medical Vans	-	61.87
Educational Infrastructure & Support	93.05	-
Environment / Sustainable Development (Solar Lights)	39.27	-
Nutrition (Mid-day Meal Scheme)	30.00	-
PM CARES Fund	146.66	19.00
Total	734.64	480.81

(c) There is no related party transaction involved in CSR expenditure.

(d) Above figures are disclosed separately in note no.27(aa).

38. Balances of Trade Receivables, Trade Payables and Advances includes balances subject to confirmation/ reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made.
39. The company did not have any unrecorded transactions in the Books of Accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
40. The company has not traded or involved in Crypto or Virtual currency during the year.
41. The Board of Directors of the Company adopted the Financial Statements in 338th Board Meeting held on 29th May 2026.
42. The Board of Directors of the Company in its 338th Board Meeting held on 29th May 2026. has proposed a final dividend of ₹ 8.10 per share in respect of year ending 31st March 2026, @ 81% on equity share capital which is ₹ 7,040.00 Lakhs as on date. The payment of Dividend is subject to approval of shareholders at Annual General Meeting. If approved it will result in a cash outflow of ₹ 5,702.40 Lakhs.
43. The figures for the corresponding previous years have been regrouped/reclassified wherever necessary to make them comparable.

In terms of our report of even date

For and on behalf of the Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627



Financial Statements

Consolidated Financial Statements

REVISED INDEPENDENT AUDITOR'S REPORT

(This Report is a revision of our Report dated 29th May, 2026 based on the observations of the Comptroller and Auditor General of India)

To the Members of MSTC Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **MSTC Limited** (hereinafter referred to as the "Parent Company") and considered the Financial Statements of Joint Venture audited by other auditors, which comprise the consolidated Balance Sheet as at March 31, 2026, and the consolidated statement of Profit and Loss including the statement of Other Comprehensive Income, consolidated cash flows statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Parent Company and its Joint Venture as at March 31, 2026, the consolidated profit, Consolidated total Comprehensive Income, consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Parent Company and its Joint Venture in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to the following:

- ♦ Management's outlook on the current status of borrowings from Standard Chartered Bank (Refer Note no. 18B (b) to the consolidated financial statements).

- ♦ Increase in Employee Benefit Expenses amounting to ₹ 238.17 Lakhs pertaining to enhancement in Gratuity limit from ₹ 20 Lakhs to ₹ 25 Lakhs as a result of increase in DA above 50% of Basic Pay as calculated by actuary based on internal assessment of the Company (Refer Note no. 25(b) to the consolidated financial statements).
- ♦ The Company has provided for ₹10.20 Lakhs on account of Gratuity liability of fixed term employees in respect of Actuarial Valuation based on internal assessment of the Company. The Company is monitoring the notification of State Rules and clarifications from the Government on other aspects of the Labour Code. It is also in the process of detailed assessment and would provide appropriate accounting effect based on such developments as needed (Refer Note no. 27 to the consolidated financial statements).
- ♦ Other Income includes ₹ 1,471.19 Lakhs in respect of liabilities ageing more than five years written back in terms of Accounting Policy approved by the Board (Refer Note no. 24(b) to the consolidated financial statements).

Our opinion is not qualified on the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

Sl.	Key audit matters	How our audit addressed the key audit matter
1.	Recoverability of Trade Receivables	
	Trade Receivables-Gross is ₹ 66,792.80 lakhs (Net ₹ 22,690.48 lakhs) with ₹ 44,102.32 lakhs being considered as credit impaired for which a provision for doubtful debts is held in the books of the Parent Company. In the event of reference of each case of debt with impaired credit to NCLT and/or other forums for adjudication, the Parent Company is exposed to potential risk of financial loss when the recoveries become subjected to long processes of litigation and eventually doubtful. The recoverable amounts are estimated by management based on their specific recoverability assessment on individual debtor as well as consideration and application of a provisioning policy. The disclosures relating to Trade Receivables of the Parent Company are provided in Note 8 (8.1 to 8.6) of the Consolidated Ind AS Financial Statements.	While examining details of Receivables and transactions during the year ended 31st March, 2026, we have observed the nature of the Trade Receivables including those Advance to Customers classified as such, the sustainability and the likelihood of recoverability of Receivables. In terms of and Accounting Policy all such debts considered doubtful of recovery have been provided for in the books as of 31st March, 2026. Since the Parent Company's obtaining of balance confirmation from Parties is an ongoing process (as referred to in Note-37) substantive audit procedures have been followed to ensure accuracy of balances. We have assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers and their historical payment pattern, wherever applicable, along with the latest correspondences with the customers, as available read with Parent Company's existing Risk Management Policy.
2.	IT Systems & Control	
	Preparation and presentation of Financial Statements are dependent on the Parent Company's supporting software and hardware controls involving risk management exercise for maximum elimination of erroneous data. Thus, quality of audit outcome and its authenticity are dependent on the extent of IT controls and systems.	We have planned, designed and carried out the desired audit procedures and sample checks, which in our opinion are adequate to provide reasonable assurance on the adequacy of IT controls in place.
3.	Assessment of allowance for Bad and Doubtful Advances and Contingent Liabilities	
	Assessment of allowance for Bad and Doubtful Advances reversed during the year and Contingent liabilities of Parent Company require assessment of probable outcomes and cash flows. The identification and quantification require estimation and judgement by the management. The disclosure related to reversal of allowance for Bad and Doubtful Advances during the year and Contingent liabilities are provided in Note no. 27 and 30 (a) to the accompanying Consolidated Financial Statements.	In case of Parent Company, we have carried out the validation of information provided by the management by performing the following procedures: - o Evaluating reasonableness of the underlying assumptions. - o Understanding the status of the litigations. - o Examining the relevant documents on available records. - o Reviewing legal opinion/industry practices wherever necessary. - o Verification of various disclosures made by the management. - o Obtaining Management's Representation as per guidelines of the ICAI. - o Parent Company's Accounting Policy.
4.	The Joint Venture's other Auditor has reported that they have determined that there are no key audit matters to communicate in their report for the year ended 31 st March, 2026.	

Other Matters

The consolidated Ind AS financial statements also include the Parent Company's share of net loss of ₹ 469.55 lakhs and total comprehensive loss (net) of ₹ 468.12 lakhs in respect of its Joint Venture Mahindra MSTC Recycling Private Limited, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and Joint Venture, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and Joint Venture, is based solely on the reports of the other auditors.

In respect of the Parent Company our separate observations are as below:

With reference to Note no. 37, confirmation of balances was not available in many cases of Trade and other Receivables, Trade and other Payables, Loans and Advances, Deposits made and received and the impact of consequent adjustments required, if any, is not ascertained.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

- The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.
- Our opinion on the Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements, or our knowledge obtained in the 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 on in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, the statement of Other Comprehensive income, consolidated cash flows and consolidated changes in equity of the Parent Company and its Joint Venture in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. The respective Board of Directors of the companies included in the Parent Company and its Joint Venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent Company and its Joint Venture for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Parent Company and its Joint Venture are responsible for assessing the ability of the Parent Company and its Joint Venture 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 Parent Company and its Joint Venture or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Parent Company and its Joint Venture are responsible for overseeing the financial reporting process of the Parent Company and its Joint Venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 Parent Company and its Joint Venture have 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 ability of the Parent Company and its Joint Venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Parent Company and its Joint Venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Parent Company and its Joint Venture, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company and Joint Venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure-A" a statement on the matters specified in paragraph 3(xxi) of the Order.

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) Notification no. G.S.R. 463 (E) dated 5th June, 2015 as amended on 13th June, 2017 issued by Ministry of Corporate Affairs, Section 164 (2) of the Companies Act, 2013 regarding disqualification of the Director is not applicable to the Parent Company, since it is a Government Company. In respect of subsidiary and Joint Venture, the other auditors have mentioned that none of the directors of the Parent Company and its

Joint venture, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls with reference to consolidated Ind AS financial statements of the Parent Company and its Joint Venture, the operating effectiveness of such controls, refer to our separate report in "Annexure-B".
- (g) The Parent Company being a Government Company, provisions of Section 197 (16) of the Companies Act, 2013 regarding managerial remuneration are not applicable to the Company as per notification no. G.S.R. 463 (E) dated 5th June, 2015 as amended on 13th June, 2017. In our opinion and based on the consideration of reports of other statutory auditors of the Joint Venture incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid/provided by its Joint Venture incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Parent Company and its Joint Venture in its consolidated Ind AS financial statements – Refer Note 30(a) to the consolidated Ind AS financial statements;
 - (ii) The Parent Company and its Joint Venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026.
 - (iii) There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Parent Company.
 - (iv)(a) The respective Managements of the Parent Company and its Joint Venture whose financial statements have been audited under the Act have represented to us and the other auditors of such Joint Venture 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 Parent Company and its Joint

Venture to or in any other person or entity, including a foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company and its Joint Venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective managements of the Parent Company and its Joint Venture whose financial statements have been audited under the Act have represented to us and the other auditors of such Joint Venture respectively that to the best of its knowledge and belief, no funds have been received by the respective Parent Company and its Joint Venture from any person or entity, including a foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or the Joint Venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under and (b) above, contain any material mis-statement.
- (d) The final dividend paid by the Parent Company during the year in respect of the

same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividends. The interim dividend declared and paid by the Parent Company during the year and until the date of this audit report is in accordance with section 123 of the Act. The Joint Venture Company has neither declared nor paid any dividend during the year.

- (i) Based on our examination which included test checks and that performed by the respective auditors of the subsidiary and Joint Venture which are companies incorporated in India whose financial statements have been audited under the Act, the Parent company and Joint Venture have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred Joint Venture did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved as per the statutory requirements for record retention.
- (j) As required by Section 143 (5) of the Companies Act, 2013 the directions and sub-directions issued by the Comptroller & Auditor General of India, we give our comments on the Consolidated Ind AS Financial Statements in "Annexure-C" annexed herewith.

For S. Guha & Associates
Chartered Accountants
Firm Registration No: 322493E
Sd/-
CA Sourabh Mitra
Partner
Membership No: 308743
UDIN: 26308743VALFZB5870

Place: Kolkata
Date: July 22, 2026

“ANNEXURE-A” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MSTC LIMITED

In terms of the information and explanations sought by us and given by the Parent Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the Joint Venture incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated financial statements.

For S. Guha & Associates
Chartered Accountants
Firm Registration No: 322493E
Sd/-
CA Sourabh Mitra
Partner
Membership No: 308743
UDIN: 26308743VALFZB5870

Place: Kolkata

Date: July 22, 2026

“ANNEXURE-B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MSTC LIMITED

We have audited the internal financial controls with reference to consolidated financial statements of **MSTC LIMITED** (hereinafter referred to as the Parent Company) and considered the financial statements of the Parent Company and its Joint Venture, which are companies incorporated in India as of March 31, 2026 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Parent Company and its Joint Venture are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Parent Company’s internal financial controls with reference to these consolidated Ind AS financial statements 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 with reference to consolidated Ind AS financial statements were 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 with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements, included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls with reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated Ind AS financial statements, 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 Parent Company and Joint Venture, which are companies incorporated in India, have maintained, in all material respects, adequate internal financial controls system with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the Parent 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Parent Company, in so far as it relates to the Joint Venture, which is a company incorporated in India, is based on the corresponding reports of the auditors of such Joint Venture incorporated in India.

For S. Guha & Associates
Chartered Accountants
Firm Registration No: 322493E
Sd/-
CA Sourabh Mitra
Partner
Membership No: 308743
UDIN: 26308743VALFZB5870

Place: Kolkata
Date: July 22, 2026

“ANNEXURE C” TO THE INDEPENDENT AUDITOR’S REPORT

**CAG’s Directions under Section 143(5) of the Companies Act, 2013
applicable for the year 2025-26 Audit**

S. No.	Directions	Observation
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	All the investments, made directly by the Company or through Trusts, for Post-retirement benefits of the employees have been valued appropriately in accordance with the applicable financial reporting framework and applicable regulations. The valuation approach and valuation methodologies applied by the company for these investments is appropriate. Brief note on the valuation approach is attached. The Company has defined contribution plans in the form of pension which is governed by Ministry of Steel Directives Pension scheme for the employees of MSTC. The company contributes annually to LIC of India /NPS through a Trust. LIC / NPS provides the pension to the employees from the corpus created on account of employees, by way of contribution from MSTC (The Employer). The Company also has defined benefit plans in the form of Gratuity, Post Retirement Medical Benefit and Provident Fund. The Company operates a Provident Fund scheme for its employees which is managed by an in-house Trust named ‘Metal Scrap Trade Corporation Limited Contributory Provident Fund Trust’. Both employees and the Company contribute 12% of the qualifying basic salary and dearness allowance. Employees also have the option to contribute a higher percentage. The Trust is obligated to pay interest to the members at a rate not lower than the statutory rate notified by the Government of India (EPFO). Any shortfall between the actual investment income generated by the Trust and the interest distributed at the EPFO declared rate is to be met by the Company. Accordingly, the plan is classified as a Defined Benefit Plan under Ind AS 19, and an actuarial valuation has been carried out using the Projected Unit Credit Method (PUCM). In the current year the Company has made a provision of ₹ 85.96 lakhs towards the contribution for deficit in income of PF Trust.
2	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company processes accounting transactions through its inhouse software namely ISTMS. The Company has a system in place to process all the accounting transactions through ISTMS except as mentioned below: The Company carries out certain calculations such as depreciation on PPE, interest on term deposits as well as interest received from parties and closing liabilities outside the IT system. We have verified the calculations and corresponding accounting entries passed in the IT system. We have not observed any deviation with regard to the integrity of the accounts in respect of these calculations. The Company has conducted Cyber Security Audit during F.Y. 2025-26 by Centre for Development of Advanced Computing (C-DAC) empaneled which is as CERT-In with Information Security Auditing Organisation.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	No funds (grants/subsidy etc.) were received or are receivable for specific schemes from the Central/State government or its agencies during the year. Hence this point is not applicable to the Company.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	a) The Company has identified key Risk areas and formulated Enterprise Risk Management Standard Operating Procedure Enterprise Risk Management Standard Operating Procedure has been prepared considering global practices on ERM. (b) The company has not identified any data assets and consequently these have not been subject to valuation.

5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Based on the information and explanations given to us, secretarial audit report of the company (where applicable), and audit procedures. carried out by us, the company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable, except as mentioned below: a. The Company being among top 1000 listed entities did not have at least one Independent Woman Director for the period beginning from 01.04.2025 to 28.05.2025 as mandated under Regulation 17(1) (a) of SEBI LODR, 2015. b. The number of Independent Directors was less than fifty percent of Board Members during 01.04.2025 to 31.03.2026. There was no Independent Director from 01.04.2025 to 14.04.2025 and from 15.04.2025 to 28.05.2025 the Company had only one Independent Director. Hence, the Company violated Section 149 of the Companies Act, 2013 read with Schedule IV during the period beginning from 01.04.2025 to 28.05.2025. c. The Board of Directors comprised of only five Directors from 01.04.2025 to 15.04.2025 which violated Regulation 17(1) (c) of SEBI LODR, 2015. d. Due to inadequate number of Independent Directors, during the period from 01.04.2025 to 28.05.2025 the Statutory Committees like Audit Committee (Regulation 18 of SEBI LODR, 2015 and Section 177 of Companies Act, 2013) and Nomination and Remuneration Committee Regulation 19 of SEBI LODR, 2015) were not formed in proper manner. The Audit Committee was attended by only one Independent Director instead of two as mandated under Regulation 18(2)(b). e. Due to inadequate number of Independent Directors, the Company failed to comply with Regulation 21(2) of SEBI (LODR) on composition of Risk Management Committee from 01.04.2025 to 15.04.2025. f. The Company has not complied with certain provisions of DPE guidelines on Corporate Governance regarding constitution of Board and Committees during F.Y. 2025-26. g. The Company does not have a formal policy in line with IT (SPDI) Rules, 2011. However, the Information Security Policy Manual and Information Security Management System of the Company have a mention of the specific sensitive personal data or information relevant to the Company i.e., password and financial information such as Bank account or credit card or debit card or other payment Instrument details.
---	--	--

**For S. Guha & Associates
Chartered Accountants
(Firm Registration No.322493E)**

**Sd/-
CA Sourabh Mitra
Partner
(Membership No. 308743)
UDIN: 26308743VALFZB5870**

**Place: Kolkata
Date: July 22, 2026**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MSTC LIMITED FOR THE YEAR ENDED 31 MARCH 2026

The preparation of Consolidated Financial Statements of MSTC Limited for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2026 and Revised Independent Audit Report dated 22 July 2026.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with Section 129(4) of the Act of the Consolidated Financial Statements of MSTC Limited for the year ended 31 March 2026 which include the Standalone Financial Statements of MSTC and one¹ joint venture company not controlled by the government and/or government companies.

Further, section 139(5) and 143(6)(a) of the Act are not applicable to its joint venture company Mahindra MSTC Recycling Private Limited being a private entity, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor nor conducted the supplementary audit of this Company.

Supplementary audit of Consolidated Financial Statements has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

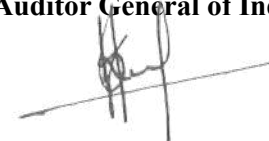
Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Consolidated Financial Statements and the related audit report:

A	COMMENTS ON FINANCIAL POSITION
	BALANCE SHEET
1	Note No. 8: Trade Receivables: ₹ 22,690.48 lakh Paragraphs 5.5.15(a), 5.5.17, B5.5.28 and B5.4.6 of Ind AS 109 - Financial Instruments require Expected Credit Loss (ECL) to be recognised on all financial assets by considering lifetime or 12-month ECL, as applicable, using the original effective interest rate and incorporating the time value of money, probability-weighted outcomes and forward-looking information. Audit noted that MSTC had not framed a policy on Expected credit Loss as required under Ind AS 1. Despite adoption of Ind AS, it has still been following provisioning policy which is violation of the provision of Ind AS 109. Consequently, the Company did not recognise any Expected Credit Loss (ECL) allowance on trade receivables of ₹ 22,690.48 lakh as on 31 March 2026 out of which ₹10,305.23 lakh was receivable for more than one year. As a result, trade receivables and profit for the year were overstated to the extent of the ECL required to be recognised under Ind AS 109.

¹Mahindra MSTC Recycling Private Limited

B	COMMENTS ON PROFITABILITY
1	Note: 24-Other Income: ₹8,338.03 lakh The above includes ₹1,471.19 lakh representing unclaimed liabilities outstanding for more than five years, written back to Other Income in terms of the Company's accounting policy. Audit observed that the amount represented Earnest Money Deposits (EMD) and other balances payable to bidders in respect of e-auctions conducted by the Company. As per the tender terms, EMD of unsuccessful bidders was refundable. The tender conditions did not contain any provision for forfeiture of such EMD. Audit further observed that Company did not carry out any obligation to refund these amounts. Therefore, the Company was not justified in recognising these outstanding liabilities as Other Income merely based on its accounting policy. As per Section 129(1) read with Section 133 of the Companies Act, 2013, the financial statements are required to present a true and fair view of the state of affairs of the Company and comply with the Indian Accounting Standards. Further, Ind AS 1 requires fair presentation of financial statements, whereby liabilities and income are recognised and presented in accordance with the substance of the underlying transactions. Write back of unclaimed liability without carrying out due procedure resulted in overstatement of other Income and profit by ₹1,471.19 lakh.
C	CASH FLOW STATEMENT
1	Paragraphs 44A and 44B of Ind AS 7 - Statement of Cash Flows require disclosure of reconciliation of changes in liabilities arising from financing activities, while Paragraph 50(a) of Ind AS 116 Leases requires lease payments to be presented under cash flows from financing activities. Audit noted that the Company had financing liabilities comprising borrowing ₹14,500.20 lakh and lease liability ₹ 23.14 lakh as at 31 March 2026. However, the Company did not disclose the reconciliation of changes in these financing liabilities. Further, it did not separately disclose lease payments under cash flows from financing activities. However, the Company did not disclose the reconciliation of changes in these financing liabilities. Further, it did not separately disclose lease payments under cash flows from financing activities. Non-compliance of above resulted in deficient disclosure in Cash Flow Statement.
D	COMMENTS ON DISCLOSURE
1	Note no. 30: Contingent Liabilities and Commitments Schedule III to the Companies Act, 2013 requires Contingent Liabilities to be disclosed separately under the heads (i) Claims against the Company not acknowledged as debt, (ii) Guarantees, and (iii) Other money for which the Company is contingently liable. Similarly, Commitments are required to be disclosed separately under the heads (i) Estimated amount of contracts remaining to be executed on capital account and not provided for, (ii) Uncalled liability on shares and other investments partly paid, and (iii) Other commitments (specifying the nature thereof). Audit noted that Note 30(a) disclosed Contingent Liabilities of ₹55,948.43 lakh and Commitments of ₹246.62 lakh as at 31 March 2026. However, the Company disclosed these amounts in aggregate without classifying them under the categories prescribed in Schedule III to the Companies Act, 2013. Thus, the financial statements did not comply with the disclosure requirements of Schedule III to the Companies Act, 2013, resulting in incomplete disclosure of the nature of the Company's contingent liabilities and commitments.

**For and on the behalf of
the Comptroller & Auditor General of India**



**Place: Ranchi
Date: 17/08/2026**

**(Jitendra Sudhakar Karape)
Director General of Audit (Steel), Ranchi**

Management Replies and Statutory Auditor's Comments to Comments/ Observations of the CAG on the Consolidated Financial Statements of MSTC Limited for the financial year ending on 31st March, 2026.

Sl. No.	CAG Comments/ Observations	Management Replies	Statutory Auditor's Comments										
1	Note No. 8: Trade Receivables: ₹ 22690.48 lakh Paragraphs 5.5.15(a), 5.5.17, B5.5.28 and B5.4.6 of Ind AS 109 – Financial Instruments require Expected Credit Loss (ECL) to be recognized on all financial assets by considering lifetime or 12-month ECL, as applicable, using the original effective interest rate and incorporating the time value of money, probability-weighted outcomes and forward-looking information. Audit noted that MSTC had not framed a policy on Expected credit Loss as required under Ind AS 1. Despite adoption of Ind AS, it has still been following provisioning policy which is violation of the provision of Ind AS 109. Consequently, the Company did not recognize any Expected Credit Loss (ECL) allowance on trade receivables of ₹ 22,690.48 lakh as on 31 March 2026 out of which ₹ 10,305.23 lakh was receivable for more than one year. As a result, trade receivables and profit for the year were overstated to the extent of the ECL required to be recognized under Ind AS 109.	Out of Trade receivable of ₹ 22,690.48 lakh, ₹ 7,496.88 lakh is backed by Bank Guarantee, hence there is no credit loss envisaged. Further as on 30.06.2026 all the dues have been realized with the closure of this business. Trade Receivable ₹ 9,756.37 lakhs related to associate model is backed by creditors hence no credit loss is envisaged. Balance Trade Receivables related to ongoing E-commerce business ₹ 5,437.23 lakhs have been measured on Expected Credit Loss (ECL) basis and necessary provisions have been made as per provisioning policy of the Company. The provisioning policy is summarized below: <table><tr><th>No. of years outstanding</th><th>Amount of provisioning</th></tr><tr><td>0-1 years</td><td>0%</td></tr><tr><td>1-2 years</td><td>0%</td></tr><tr><td>2-3 years</td><td>50%</td></tr><tr><td>More than 3 years</td><td>100%</td></tr></table> It can be seen from above that the provisioning policy is based on the principle of Expected Credit Loss (ECL), only the nomenclature is different. Thus, necessary provision for expected credit loss has already been accounted for in the books. Hence, there is virtually no overstatement of Trade Receivable as well as Profit. However, as suggested by audit, ECL model will be formulated and adopted in its form, in the financial statement of F.Y 2026-27.	No. of years outstanding	Amount of provisioning	0-1 years	0%	1-2 years	0%	2-3 years	50%	More than 3 years	100%	We are agreeable to the management response.
No. of years outstanding	Amount of provisioning												
0-1 years	0%												
1-2 years	0%												
2-3 years	50%												
More than 3 years	100%												

2	Note: 24: Other Income: ₹ 8338.03 lakh The above includes ₹ 1,471.19 lakh representing unclaimed liabilities outstanding for more than five years, written back to Other Income in terms of the Company's accounting policy. Audit observed that the amount represented Earnest Money Deposits (EMD) and other balances payable to bidders in respect of e-auctions conducted by the Company. As per the tender terms, EMD of unsuccessful bidders was refundable. The tender conditions did not contain any provision for forfeiture of such EMD. Audit further observed that there was no evidence to establish that the Company's obligation to refund these amounts had ceased. Therefore, the Company was not justified in recognizing these outstanding liabilities as Other Income merely on the basis of its accounting policy. As per Section 129(1) read with Section 133 of the Companies Act, 2013, the financial statements are required to present a true and fair view of the state of affairs of the Company and comply with the Indian Accounting Standards. Further, Ind AS 1 requires fair presentation of financial statements, whereby liabilities and income are recognized and presented in accordance with the substance of the underlying transactions. Above resulted in overstatement of other Income and profit by ₹ 1,471.19 lakh.	Generally, at present, in case of EMD, MSTC either refunds the same on receipt of request or transfers it to the principal as per instruction. The amount under scrutiny is basically without any identifiable tag. The problem here is of identification, mainly due to old age, non-availability of information and documentation. Adding to it, in lot of instances, it becomes very difficult to identify the remitter from the Bank statement in absence of detailed individual information. In such cases, the amount remains with MSTC awaiting identification and further instruction from the stakeholders. So, it cannot be said that all these amounts are EMD and it cannot be linked to tender terms. Moreover, there is no demand pending for the amounts as on date. It is again reiterated that the issue is lack of identification and information and the population forms a microscopic part of the whole transaction carried out by MSTC. It is the accumulation over the years that has resulted in such amount. In order to tackle such old unclaimed balances, discussion was held in the Audit Committee and based on the recommendation of the Audit Committee, the Board of Directors of MSTC has formulated a policy of Write Back of such old unclaimed balances lying for more than 5 years. Accordingly, the old unclaimed and unidentified amount ageing more than 5 years has been written back as per the Board approved policy.	We are agreeable to the management response.
---	--	---	---

3	Paragraphs 44A and 44B of Ind AS 7 - Statement of Cash Flows require disclosure of reconciliation of changes in liabilities arising from financing activities, while Paragraph 50(a) of Ind AS 116 - Leases requires lease payments to be presented under cash flows from financing activities. Audit noted that the Company had financial liabilities comprising borrowing ₹14,500.20 lakh and lease liability ₹ 23.14 lakh as at 31 March 2026. However, the Company did not disclose the reconciliation of changes in these financing liabilities. Further, it did not separately disclose lease payments under cash flows from financing activities. Non-compliance of above resulted in deficient disclosure in Cash Flow Statement.	The financial liabilities comprising borrowing ₹ 14,500.20 lakh is under judicial scrutiny i.e. sub judice. Further, there is no change in the status on 31.03.2026 vis-a-vis 31.03.2025. However, the audit observation is noted and necessary disclosure citing its sub judice status will be incorporated in the financial statement of F.Y 2026-27. There was only change in Lease liabilities related to Right of Use Assets, which were recognized as on 31.03.2026. Since, the Lease liabilities and Right of Use Assets were recognized as on 31.03.2026, hence, not shown under Financing activities for the year. However, the audit observation is noted and necessary disclosure will be incorporated in the financial statement of F.Y 2026-27.	We are agreeable to the management response.																																								
4	Note no. 30: Contingent Liabilities and Commitments Schedule III to the Companies Act, 2013 requires Contingent Liabilities to be disclosed separately under the heads (i) Claims against the Company not acknowledged as debt, (ii) Guarantees, and (iii) Other money for which the Company is contingently liable. Similarly, Commitments are required to be disclosed separately under the heads (i) Estimated amount of contracts remaining to be executed on capital account and not provided for, (ii) Uncalled liability on shares and other investments partly paid, and (iii) Other commitments (specifying the nature thereof). Audit noted that Note 30(a)	The Company has made the following disclosure regarding Contingent Liabilities and Commitments in note no. 30: a) Contingent liabilities (Amt. ₹ Lakh) <table data-bbox="594 1373 1224 1898"> <thead> <tr> <th>Sl. No.</th><th>Particulars</th><th>31.03.2026</th><th>31.03.2025</th></tr> </thead> <tbody> <tr> <td>1</td><td>Sales Tax & VAT</td><td>1,994.06</td><td>2,006.44</td></tr> <tr> <td>2</td><td>GST</td><td>5.34</td><td>3.90</td></tr> <tr> <td>3</td><td>Customs Act</td><td>1,189.31</td><td>1,189.31</td></tr> <tr> <td>4</td><td>Money Suits</td><td>15,774.51</td><td>15,777.63</td></tr> <tr> <td>5</td><td>Arbitration</td><td>9,229.57</td><td>-</td></tr> <tr> <td>6</td><td>Income Tax</td><td>25,773.50</td><td>18,475.22</td></tr> <tr> <td>7</td><td>Service Tax</td><td>1,490.10</td><td>1,490.10</td></tr> <tr> <td>8</td><td>Outstanding Bank Guarantees</td><td>492.04</td><td>560.06</td></tr> <tr> <td></td><td>Total</td><td>55,948.43</td><td>39,502.66</td></tr> </tbody> </table>	Sl. No.	Particulars	31.03.2026	31.03.2025	1	Sales Tax & VAT	1,994.06	2,006.44	2	GST	5.34	3.90	3	Customs Act	1,189.31	1,189.31	4	Money Suits	15,774.51	15,777.63	5	Arbitration	9,229.57	-	6	Income Tax	25,773.50	18,475.22	7	Service Tax	1,490.10	1,490.10	8	Outstanding Bank Guarantees	492.04	560.06		Total	55,948.43	39,502.66	We are agreeable to the management response.
Sl. No.	Particulars	31.03.2026	31.03.2025																																								
1	Sales Tax & VAT	1,994.06	2,006.44																																								
2	GST	5.34	3.90																																								
3	Customs Act	1,189.31	1,189.31																																								
4	Money Suits	15,774.51	15,777.63																																								
5	Arbitration	9,229.57	-																																								
6	Income Tax	25,773.50	18,475.22																																								
7	Service Tax	1,490.10	1,490.10																																								
8	Outstanding Bank Guarantees	492.04	560.06																																								
	Total	55,948.43	39,502.66																																								

disclosed Contingent Liabilities of ₹55,948.43 lakh and Commitments of ₹246.62 lakh as at 31 March 2026. However, the Company disclosed these amounts in aggregate without classifying them under the categories prescribed in Schedule III to the Companies Act, 2013. Thus, the financial statements did not comply with the disclosure requirements of Schedule III to the Companies Act, 2013, resulting in incomplete disclosure of the nature of the Company's contingent liabilities and commitments.	b) Commitments (Amt. ₹ Lakh)			
	Sl. No.	Particulars	31.03.2026	31.03.2025
	1	Purchase of New Office at New Delhi	-	1,502.07
	2	Intangible Assets under development	246.62	-
		Total	246.62	1,502.07
	Thus, the Company has made adequate disclosure of Contingent Liabilities and Commitments under different heads although not as per exact format of Schedule III of the Companies Act 2013. The audit observation is noted and necessary disclosure shall form part of the financial statement of F.Y. 2026-27.			

For and on behalf of the Board of Directors
Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN : 09762368)

For S. Guha & Associates, Chartered Accountants
(Registration No. 322493E)
Sd/-
(CA Sourabh Mitra)
Partner
(Membership No. 308743)

Place: New Delhi
Date: August 24, 2026

Consolidated Balance Sheet as at 31st March 2026

(Amount in ₹ Lakhs)

Particulars	Notes	As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
(1) Non- Current Assets			
Property, Plant and Equipment and Intangible Assets			
(a) Property, Plant and Equipment	2	19,413.05	5,285.61
(b) Right-of-Use Assets - Leasehold Land	2	694.11	678.42
(c) Intangible Assets	2	480.84	516.89
(d) Intangible Assets under Development	2	48.00	-
		20,636.00	6,480.92
(e) Financial Assets			
(i) Investments			
(a) In Joint Venture	3	1,188.11	1,156.23
(ii) Other Financial Assets	4	290.66	346.17
(f) Non- Current Tax Assets	5	3,741.04	6,595.65
(g) Deferred Tax Assets (Net)	6	9,551.25	9,782.76
(h) Other Non- Current Assets	7	5,245.71	14,971.60
Total Non- Current Assets		40,652.77	39,333.33
(2) Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	22,690.48	30,954.39
(ii) Cash and Cash Equivalents	9	55,372.35	37,820.41
(iii) Other Bank Balances	10	77,385.73	98,052.08
(iv) Other Financial Assets	11	4,405.54	5,217.93
(b) Other Current Assets	12	564.62	461.61
Total Current Assets		160,418.72	172,506.42
TOTAL ASSETS		201,071.49	211,839.75
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	13	7,040.00	7,040.00
(b) Other Equity	14	83,353.51	66,801.39
Total Equity		90,393.51	73,841.39
(2) Non- Current Liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	15	338.03	356.28
(b) Provisions	16	1,647.31	1,688.13
(c) Other Non- Current Liabilities	17	1,092.78	1,030.96
Total Non- Current Liabilities		3,078.12	3,075.37
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	14,500.20	14,500.20
(ii) Trade Payables			
Total Outstanding dues of			
a) Micro & Small Enterprises	19	-	5.99
b) Creditors other than Micro & Small Enterprises	19	12,616.32	12,305.28
(iii) Other Financial Liabilities	20	78,446.60	1,05,775.53
(b) Other Current Liabilities	21	1,950.78	2,323.03
(c) Provisions	22	85.96	12.96
Total Current Liabilities		1,07,599.86	1,34,922.99
Total Liabilities		1,10,677.98	1,37,998.36
TOTAL EQUITY AND LIABILITIES		2,01,071.49	2,11,839.75

The accompanying notes form an integral part of the financial statements.
In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Consolidated Statement of Profit & Loss for the Year ended 31st March 2026

(Amount in ₹ Lakhs)

Particulars	Notes	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
I Revenue from Operations	23	36,965.66	31,095.96
II Other Income	24	8,338.03	7,654.24
III Total Income (I + II)		45,303.69	38,750.20
IV EXPENSES			
(a) Employee Benefits Expense	25	9,872.50	9,132.13
(b) Finance Costs	26	-	18.00
(c) Depreciation and Amortisation Expense	2	1,036.32	908.76
(d) Other Expenses	27	4,681.80	3,613.89
Total Expenses		15,590.62	13,672.78
V Profit before share of Profit/(Loss) of Joint Ventures and Tax (III - IV)		29,713.07	25,077.42
VI Share of Profit/(Loss) of Joint Ventures		(469.55)	(596.88)
VII Profit before Exceptional Items and Tax (V + VI)		29,243.52	24,480.54
VIII Exceptional Items: Income/(Expenses)	27A	-	26,318.86
IX Profit/(Loss) before Tax (VII + VIII)		29,243.52	50,799.40
X Tax Expense			
(a) Current Tax	31	7,188.12	10,168.67
(b) Deferred Tax		212.08	(76.48)
Total Tax Expense		7,400.20	10,092.19
XI Profit for the Period (IX - X)		21,843.32	40,707.21
XII Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss	35	77.20	609.35
(ii) Income Tax on above		(19.43)	(153.36)
B Share of Other Comprehensive Income of Joint Venture		1.43	3.59
		59.20	459.58
XIII Total Comprehensive Income for the Year (XI + XII)		21,902.52	41,166.79
XIV Earnings Per Equity Share (Face Value of ₹10 each):	32		
(1) Basic (in ₹)		31.03	57.82
(2) Diluted (in ₹)		31.03	57.82

The accompanying notes form an integral part of the financial statements.
In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Consolidated Statement of Changes in Equity for the Year ended 31st March 2026

A. Equity Share Capital
(Amount in ₹ Lakhs)

Particulars	Nos	Face Value (₹)	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid			
Balance as at March 31, 2026	70,400,000	10	7,040.00
Balance as at March 31, 2025	70,400,000	10	7,040.00
Balance as at March 31, 2024	70,400,000	10	7,040.00

B. Other Equity

Particulars	General Reserve	Retained Earnings	Total
Balance as at April 01, 2025	49,616.00	17,185.39	66,801.39
Profit for the year ended 31 st March 2026	-	21,843.32	21,843.32
Other Comprehensive Income for the year	-	59.20	59.20
Interim Dividend 2025-26	-	(5,350.40)	(5,350.40)
Balance as at 31st March, 2026	49,616.00	33,737.51	83,353.51
Balance as at April 01, 2024	49,616.00	8,050.60	57,666.60
Profit for the year ended 31 st March, 2025	-	40,707.21	40,707.21
Other Comprehensive Income for the year	-	459.58	459.58
Final Dividend 2023-24	-	(3,520.00)	(3,520.00)
Interim Dividend 2024-25	-	(28,512.00)	(28,512.00)
Balance as at March 31, 2025	49,616.00	17,185.39	66,801.39

The accompanying notes form an integral part of the financial statements.
In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwai)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Audited Consolidated Statement of Cash Flows for the Year ended 31st March 2026

(Amount in ₹ Lakhs)

Particulars	For the Year ended 31 st March 2026	For the Year ended 31 st March 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax for the Year	29,243.52	50,799.40
Adjustments for:		
Depreciation / Amortisation of Non- Current Assets	1,043.78	916.22
Dividend Income	-	-
Loss from Investment in Joint Venture	469.55	596.88
Loss/(Gain) on disposal of Property, Plant and Equipment	7.49	0.81
Finance Cost	-	18.00
Interest Income recognised in profit & loss	(6,834.79)	(7,246.37)
Provision no Longer Required Written Back	-	-
Bad Debt Written Off	-	-
Provision for Bad and Doubtful Advances/Debts	(90.50)	51.64
Income on Sale of Subsidiary	-	(30,169.19)
Liability written Back	(1,471.19)	-
Operating profit before Working Capital changes	22,367.86	14,967.39
Adjustments for changes in Operating Assets & Liabilities		
Adjustments for (increase) / decrease in Operating Assets:		
Movement in working capital:		
(Increase)/decrease in Trade and Other Receivables	9,794.98	343.63
(Increase)/decrease in Other Assets	(3,342.43)	(362.27)
Adjustments for increase / (decrease) in Operating Liabilities:		
Increase/ (decrease) in Trade Payables & Others Financial Liabilities	(27,065.27)	18,312.00
Increase/ (decrease) in Other Liabilities	(310.43)	(441.13)
Increase/ (decrease) in Provisions	109.38	93.46
Cash generated from Operations	1,554.09	32,913.08
Direct Taxes Paid (Net of Refund)	(4,333.51)	(6,882.78)
Net cash from Operating Activities	(2,779.42)	26,030.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Capital Advance	(2,225.56)	(2,463.39)
Proceeds from disposal of Property Plant & Equipment	7.66	1.43
Net Proceeds from Sale of Subsidiary	-	31,750.19
Investment In Fixed Deposits	20,666.35	(19,294.04)
Investment in Joint Venture	(500.00)	(500.00)
Interest Received	7,733.31	6,989.68
Dividend Received	-	-
Net cash (used) in Investing Activities	25,681.76	16,483.87
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	-	(59.20)
Dividend Paid	(5,350.40)	(28,864.00)
Net cash used in Financing Activities	(5,350.40)	(28,923.20)
Net increase/(Decrease) in Cash & Cash Equivalents(A+B+C)	17,551.94	13,590.97
Cash and Cash Equivalents at the Beginning of the Year	37,820.41	24,229.44
Cash and Cash Equivalents at the End of the Year	55,372.35	37,820.41

Note: (1) Figures in brackets indicate outflows.

(2) Statement of Cash Flows is prepared using Indirect Method as per Indian Accounting Standard - 7: Statement of Cash Flows. The accompanying notes form an integral part of the Financial Statements.

In terms of our report of even date.

For and on behalf of Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwal)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Notes to Consolidated Financial Statements for the year ended 31st March, 2026

1.A GENERAL INFORMATION

MSTC Limited (the "Company") is a Miniratna Category-I Company incorporated under the Companies Act, 1956 on 9th September 1964. It is domiciled in India, having registered office at Plot No.- CF-18/2, Street No.-175, Action Area 1C, New Town, Kolkata-700156 and limited by shares (CIN: L27320WB1964GOI026211). Pursuant to Initial Public Offer equity shares of MSTC Limited are listed and traded on both BSE Limited and National Stock Exchange of India Limited w.e.f. March 29, 2019. The core activity of the Company has been divided into two Operational Divisions, i.e. e-Commerce and Marketing. The Company undertakes trading activities, disposal of ferrous and non-ferrous scrap, surplus stores, minerals, agri and forest produces etc. mostly from Public Sector Undertakings Govt. Departments and leading private sector entities and other e-commerce services. The mode of disposal includes e-auction, e-tender, e-reverse auction etc. Besides, MSTC also e-auctions coal from Coal India Ltd. Singareni Coalfields Ltd. etc. Apart from these MSTC also provides e-procurement and other platform development and maintenance solutions. The marketing division handles domestic trade of mainly bulk industrial raw material. It looks after sourcing, purchase and sales of industrial raw materials like Heavy Melting Scrap, Low Ash Metallurgical Coke, HR Coil, Crude Oil, Naptha, Coking Coal, Steam Coal etc. for supply to Indian industries in steel, infrastructure, power sector etc.

The Board of Directors, in its 335th meeting held on 12.11.2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

1.B RECENT ACCOUNTING DEVELOPEMENTS

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.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform - Pillar Two Model Rules, applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments in its financial statements.

1.C MATERIAL ACCOUNTING POLICIES

1.C.1 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be measured at fair value at the end of each reporting period by Ind ASs. The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind ASs'), including the rules notified under the relevant provisions of the Companies Act 2013.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional Currency and Presentation Currency

The financial statements are prepared in Indian Rupees (₹) which is the Company's functional currency for all its operations. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Lakh, unless otherwise stated.

Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Companies Act, 2013 and Ind AS 1 – 'Presentation of Financial Statements'.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Use of estimates and critical judgements

The preparation of accounts in accordance with Ind ASs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the accounts and reported amounts of income and expenses during the period.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies below. Critical accounting judgements and the key sources of estimation or uncertainty in applying the Company's accounting policies arise in relation to property, plant and equipment, current asset provisions, deferred tax, retirement benefits. The detailed accounting policies, including underlying judgements and methods of estimations for

each of these items are discussed below. All of these key factors are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and any future periods affected.

Principles of consolidation

The consolidated financial statements relate to MSTC Ltd. (the Company'), and Joint Venture Mahindra MSTC Recycling Pvt. Ltd. (MMRPL). The consolidated financial statements have been prepared on the following basis:

Investment in Joint Venture has been accounted under the equity method as per Ind AS 28 – Investments in Associates and Joint Ventures.

Equity method

Under the equity method, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of other comprehensive income of the investee. Dividends from joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and its joint venture are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy.

1.C.2 FOREIGN CURRENCY TRANSLATION

In preparing the financial statements of the Company, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign

currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the Statement of Profit and Loss for the period. Exchange differences arising on retranslation of non-monetary items carried at fair value are included in statements of profit and loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income.

Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gains/ losses are not recognized in the books of the Company.

1.C.3 (a) PROPERTY, PLANT AND EQUIPMENT

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying amount of the replaced part is derecognized.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Land has an indefinite economic life. The Company can enjoy the part of the life restricted to years of lease. The lease rent paid in advance is being amortized over the period of lease.

1.C.3 (b) Depreciation of property, plant and equipment

Depreciation is provided so as to write off, on a straight-line basis, the cost of property, plant and equipment to their residual value. These charges are commenced from the date the assets are available for their intended

use and are spread over their estimated useful lives. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

Depreciation on assets under construction commences only when the assets are ready for their intended use.

Depreciation is provided to allocate the costs of property, plant and equipment, net of their residual values, over their useful life as specified in Schedule II of the Companies Act, 2013. The estimated useful lives for the main categories of property, plant and equipment are:

Type of Asset	Estimated Useful life (Years)
Office Equipments	5
Vehicles	8
Furniture and Fixtures	10
Partition and Cubicles	10
Building	60
Building (Other than RCC)	30
Air Conditioners	10
Electrical Installation & Equipments	10
Computers & EDP Equipments	3
Servers	6
Machinery	15

Assets in the course of construction are included under capital work in progress and are carried at cost, less any recognized impairment loss. Such capital work-in-progress, on completion, is transferred to the appropriate category of property, plant and equipment.

1.C.3 (c) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization methods are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from use or disposal. Further, the management estimates that the intangible assets are having zero carrying costs at the end of their useful life i.e. zero residual value.

Software acquired separately is capitalized as software.

These are amortized over a period of their license. In case of perpetual licenses, the cost is amortized over a period of five years.

1.C.4 Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Intangible assets with an indefinite useful life are tested for impairment annually and whenever there is an indication, the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the Statement of Profit and Loss as and when the carrying amount of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in profit and loss immediately.

1.C.5 Investment in Subsidiaries and Joint venture

Investment in subsidiaries and Joint venture are carried at cost in terms of Ind AS 28. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the difference between net disposal proceeds and carrying amounts are recognized in Statement of Profit and Loss.

1.C.6 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are immediately recognized in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction cost.

a) Financial assets

I. Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

The Effective Interest Rate method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The Effective Interest Rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

II. Financial assets measured at fair value through Other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is 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.

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income. However, the interest income, losses and reversals, and foreign exchange gains and losses are recognized in the Statement of Profit and Loss.

III. Financial assets measured at fair value through profit and loss

Financial assets not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through profit and loss.

Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income.

Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition. For financial instruments whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized.

Derecognition of financial assets

The Company derecognizes 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 assets, 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 recognize the financial asset and also recognizes a collateralized borrowing of the proceeds received.

b) Financial liabilities and equity instruments

Classification

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Transaction costs of an equity transaction are being accounted as a deduction from equity.

Financial Liabilities

The Company's financial liabilities include Trade and other payables and borrowings including bank overdrafts are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

1.C.7 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalent includes cash on hand, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, cash at bank, and bank overdraft and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

1.C.8 INVENTORIES

Stock in trade including material-in-transit is valued at cost or estimated net realizable value whichever is less.

1.C.9 REVENUE RECOGNITION

Revenue is recognized when the performance obligation towards transfer of goods and services to a customer is satisfied.

SERVICE CHARGES

Remuneration for transaction in Marketing Department through facilitator mode and for conducting sales/ procurement on behalf of Principals, by way of auctions,

tenders, or any other means, are accounted for as service charges.

(a) Service charges are accounted for as income at contracted rates on:

- i. Tender/Auction sale on behalf of Public Sector Undertakings, Defence and other Government Departments/ other clients on issuance of sale orders / delivery orders.
- ii. On satisfactory completion of e-sales.
In respect of (i) & (ii), service charges are accounted for on bid price of auction with adjustments, if any, on the basis of actual delivery by the Principals, in case service charges are payable on percentage basis.
- iii. On occurrence of event, in case of service contract on event basis including development, maintenance of e-portal and software.
- iv. In case of E-Procurement Service charges are booked, where service charges are collectable from the Principal, on completion of event.

(b) Transaction fees collected from bidders are accounted for the successful conduct of events.

(c) Service charges accrued in respect of purchase as facilitator are accounted for at the contracted rate on the basis of date of bill of lading / railway receipt / lorry receipt as the case may be. For imported materials, value is ascertained either at forward cover rate or at FEDAI spot rate prevailing on the last date of the Financial Year. Final adjustment is made on actual payment. In case of indigenous materials, value is ascertained on the basis of actual payment at contracted rate.

E-AUCTION REGISTRATION

E-auction Registration fees collected from buyers is considered as income of the current year if the validity of registration is upto one year. In case of lifelong registration, the amount so collected is distributed in five years equally.

OTHER INCOME

Revenue is recognized on accrual basis except in the following items which are accounted on actual realization since realizability of such items is uncertain in accordance with the provisions of the accounting standards:

- i) Decrees pending for execution/contested dues and interest thereon, if any.

ii) Interest on overdue recoverable where realizability is uncertain.

iii) Liquidated damages on suppliers or contractors.

iv) Refund of Income-Tax/Sales Tax/VAT and interest thereon.

v) Dividend income is recognized when right to receive payment is established.

1.C.10 BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Other income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.C.11 EMPLOYEE BENEFITS

(a) Short-term benefits

Short-term employee benefits are accounted for at their undiscounted amount in the accounting period in which the services are rendered by the employees are recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(b) Leave encashment

The liabilities for earned leave and commuted leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period based on actuarial valuation using the projected unit credit method.

The benefits are discounted using the market yield at the end of the reporting period that have terms of approximating to the terms of related obligations. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit and loss. The facility is funded through LIC of India.

(c) Post-employment obligation
Defined Contribution Plan –
i. Pension

The pension plan is administered through an independent trust, and contributions to this fund are charged to revenue. The fund is managed through the LIC of India / NPS. The contribution amount is governed by directives from the Ministry of Steel, in accordance with Department of Public Enterprises (DPE) guidelines.

Defined Benefit Plan –
i. Provident Fund

Provident Fund is administered by a Trust recognized by Income Tax Authorities and contribution to this Fund is charged to revenue. Pensioner's Benefits are secured through Employees' Pension Scheme 1995. The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The Company has an obligation to ensure minimum rate of return to the members as specified by GOI.

ii. Gratuity

The liabilities or assets recognized in the Balance Sheet in respect of defined gratuity plan is the present value of the defined benefits obligation at the end of the reporting period, less the fair value of plan assets. The defined benefits obligations are calculated annually by actuaries using projected unit credit method. The present value of defined benefits obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that are terms approximating to the terms of the related obligations. The net interest cost is calculated by applying the discounted rate to the net balance of defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity.

Changes in the present value of defined benefit obligation resulting from amendments and curtailments are recognized immediately in profit or loss as past service cost. The Gratuity obligation is funded through

Group Gratuity Life Assurance Scheme of Life Insurance Corporation of India and is administered through a separate irrevocable trust created by the Company for this purpose.

iii. Post Retirement medical benefit

The Company provides post retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to the retirement age and the completion of minimum service period. The expected cost of these benefits is accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise. The fund is administered through a separate trust created for this purpose.

1.C.12 TAXATION

Tax expense for the year comprises current and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax for the year as reported in the Statement of Profit and Loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in the country where the Company operates by the end of the reporting period.

(ii) Deferred tax

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income tax recoverable in future in respect of deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilized.

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

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax

authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognized as an expense or income in the Statement of Profit and Loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

1.C.13 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in the Balance Sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. When appropriate, provisions are measured on a discounted basis.

Constructive obligation is an obligation that derives from an entity's actions whereby an established pattern of past practice, published policies or a sufficiently specific current statement, the entity has indicated to other parties that it will accept certain responsibilities; and as a result, the entity has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Contingent liabilities are disclosed by way of notes. These are reviewed at each Balance Sheet date and are adjusted to reflect the current estimate of management.

Contingent assets are not recognised but disclosed in financial statements when an inflow of economic benefits is probable.

1.C.14 SEGMENT REPORTING

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures. The Company undertakes trading activities and also acts as e-commerce service provider. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates Company's performance and allocates resources on an analysis of various performance indicators by operating segments. In terms of above the Company has identified Marketing and e-Commerce as its two Primary Reportable Business Segments. Revenue and

identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Rest of the items of revenue and expenses, which cannot be specifically allocated under specific segments, are separately disclosed as unallocated.

The Board of Directors, in its 335th meeting held on 12.11.2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

1.C.15 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the paragraphs that follow.

(i) Useful economic lives and impairment of other assets

The estimated useful life of property, plant and equipment (PPE) and intangible assets is based on a number of factors including the effects of obsolescence, usage of the asset and other economic factors (such as known technological advances).

The Company reviews the useful life of PPE and intangibles at the end of each reporting date, and any changes could affect the depreciation rates prospectively.

The Company also reviews its property, plant and equipment for possible impairment if there are events

or changes in circumstances that indicate that the carrying value of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits, such as the Company's business plans and changes in regulatory environment are taken into consideration.

(ii) Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability.

(iii) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends on

assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(iv) Fair Value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

(v) Recognition of deferred tax assets for carried forward tax losses and unused tax credit

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

1.C.16 PROVISION OF TRADE RECEIVABLES

i. The Company has a provisioning policy in place which provides for quarterly review and provision as per the policy, which is as follows:

SI No.	Particulars	Amount of provisioning
1	Trade Receivables (e-Commerce Business)	Outstanding more than 2 years – 50% Outstanding more than 3 years – balance amount
2	Trade Receivables (Associate supply Business)	In this model since actual funding for procurement is done by MSTC's associate supplier, there is no scope for business loss to the account of MSTC. Hence no provisioning against such trade receivables is envisaged.
3	Trade Receivables (110% BG backed Business)	Since the transaction is entirely covered by Bank Guarantee, no provisioning against such trade receivables is envisaged.
4	Trade Receivables (Cash & carry business)	The policy provides for provisioning at various stages depending upon the age and quantum of security available (pledged stock) for concerned trade receivable.

ii. The Company has done trading under "Back-to-Back Arrangement with Associate Suppliers". As per the arrangement, the payment to suppliers will be released only on realization of Trade Receivables. Hence the Company treats these Trade Receivables as Secured.

1.C.17 Restatement of material error / omissions:

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in each case do not exceed the overall material limit specified in MSTC policy for determination of materiality of events or information in terms of SEBI LODR Regulations i.e. lower of the following:

- (a) Two percent of turnover, as per the last audited consolidated financial statements of the Company;
- (b) Two percent of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
- (c) Five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company; In respect to the above, the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative)

that denotes such value as the said value/figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

1.C.18 Policy on write back of old unclaimed amounts

- At every Balance sheet date, the unclaimed amounts ageing more than five (5) years will be written back.
- The exercise to be carried out annually with effect from 31.03.2026.
- There may be cases where any amount is needed to be settled/paid in subsequent years, out of written back amount. The amount shall be adjusted from the write back amount available on that particular financial year (year of payment). If the write back amount is insufficient, then it will be charged to Profit and Loss Account of that particular year (year of payment).
- The old balances of erstwhile trading business and sub-judice matters will not fall under this policy.

2. Property, Plant and Equipment and Intangible Assets

(Amount in ₹ Lakhs)

Particulars	Freehold Buildings	Freehold Office Buildings	Freehold Buildings Other than RCC	Electrical Installation & Equipment	Machinery	Office Equipment	Office Air Conditioner	Furniture and fixture	Office Partition & Cubicles	Computer and EDP Equip-ments	Vehicles	Total Tangible Assets
Gross Block as at March 31, 2024	40.79	71.91	3,506.29	788.43	237.90	485.63	367.54	401.05	23.69	1,486.95	20.90	7,431.08
Additions	-	-	-	-	-	9.03	7.32	9.13	-	359.61	-	385.09
Disposals	-	-	-	-	-	1.15	0.38	0.91	-	9.22	-	11.66
Gross Block as at March 31, 2025	40.79	71.91	3,506.29	788.43	237.90	493.51	374.48	409.27	23.69	1,837.34	20.90	7,804.51
Additions	-	14,201.64	-	199.11	-	189.20	64.18	252.92	-	14.84	19.78	14,941.66
Disposals	-	-	-	-	-	28.63	12.30	12.69	11.92	14.59	-	80.13
Gross Block as at March 31, 2026	40.79	14,273.55	3,506.29	987.54	237.90	654.07	426.36	649.51	11.77	1,837.59	40.68	22,666.04
Depreciation as at March 31, 2024	7.09	17.93	299.94	202.34	40.71	248.88	102.46	150.06	13.00	760.09	19.49	1,861.99
Charge for the year	1.11	1.77	111.02	74.89	15.06	88.93	33.40	32.39	2.26	305.12	0.38	666.33
Disposals	-	-	-	-	-	0.84	0.30	0.48	-	7.80	-	9.42
Depreciation as at March 31, 2025	8.20	19.70	410.96	277.23	55.77	336.97	135.56	181.97	15.26	1,057.41	19.87	2,518.90
Charge for the year	0.58	164.59	111.04	77.91	15.07	90.28	35.67	36.65	1.83	265.19	0.26	799.07
Disposals	-	-	-	-	-	21.89	8.47	10.18	10.81	13.63	-	64.98
Depreciation as at March 31, 2026	8.78	184.29	522.00	355.14	70.84	405.36	162.76	208.44	6.28	1,308.97	20.13	3,252.99
Net book value as at March 31, 2025	32.59	52.21	3,095.33	511.20	182.13	156.54	238.92	227.30	8.43	779.93	1.03	5,285.61
Net book value as at March 31, 2026	32.01	14,089.26	2,984.29	632.40	167.06	248.71	263.60	441.07	5.49	528.62	20.55	19,413.05
Particular	Intangible assets under development – Software				Right-of–Use (ROU) Assets – Leasehold Land		Software Licence		Trade Mark		Total Intangible Assets	
Gross Block as at March 31, 2024	-				685.88		994.27		0.40		994.67	
Additions	-				-		164.11		-		164.11	
Disposals*	-				7.46		152.30		-		152.30	
Gross Block as at March 31, 2025	-				678.42		1,006.08		0.40		1,006.48	
Additions	48.00				23.14		201.23		-		201.23	
Disposals*	-				7.45		137.68		-		137.68	
Gross Block as at March 31, 2026	48.00				694.11		1,069.63		0.40		1,070.03	
Depreciation as at March 31, 2024	-				-		399.06		0.40		399.46	
Charge for the year	-				-		242.43		-		242.43	
Disposals	-				-		152.30		-		152.30	
Depreciation as at March 31, 2025	-				-		489.19		0.40		489.59	
Charge for the year	-				-		237.28		-		237.28	
Disposals	-				-		137.68		-		137.68	
Depreciation as at March 31, 2026	-				-		588.79		0.40		589.19	
Net book value as at March 31, 2025	-				678.42		516.89		-		516.89	
Net book value as at March 31, 2026	48.00				694.11		480.84		-		480.84	

Notes:

- a) Disposal of Leasehold Land represents amortisation of Prepaid Lease Payment.
- b) The Title Deed of the immovable property are held in the name of the Company.
- c) All assets, wherever applicable have been duly registered with the Registrar of Companies for the charges.
- d) At the time of implementation and adoption of IndAS w.e.f 1st April, 2015 in terms of Ind AS 101, the Net Block of Assets was considered as Gross Block treating Accumulated Depreciation on that date as "NIL". Depreciation has been charged since in terms of Companies Act 2013. Hence, the Accumulated Depreciation represents cumulative figures since 1st April, 2015 only. Due to this, there are differences in the figure of Gross Block and Accumulated Depreciation between the Fixed Assets schedule as above and Fixed Assets Register. However the Net Block figures are in complete agreement with Fixed assets Register.
- e) Freehold Building other than RCC Structure represents Steel Structure.
- f) During the financial year 2025-26, the interior fit-out works at the Company's Corporate Office at World Trade Centre, New Delhi were completed and handed over on 2nd February 2026. In accordance with Ind AS 16, the asset has been capitalised from that date. The total cost capitalised, based on bills submitted and approved by the implementing agency, amounts to ₹ 1,003.15 Lakhs. Out of this, an amount of ₹ 855.27 Lakhs was paid prior to capitalisation. The balance of ₹ 147.88 Lakhs, representing pending payments subject to verification and final settlement, has been booked as a provision as at 31st March 2026. The formal closure of the project and the final settlement of these bills will take place in the financial year 2026-27. The final liability upon settlement will not exceed the provisioned amount and may be lower. Any reduction in the final liability will be adjusted against the gross block of the respective asset classes in the financial year 2026-27. Consequential adjustment to depreciation will be accounted for as a change in accounting estimate in accordance with Ind AS 8, applied prospectively from the date of handover.
- g) Intangible assets under development ageing schedule:

As at 31st March 2026
(Amount in ₹ Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.00	-	-	-	48.00
Projects temporarily suspended	-	-	-	-	-

As at 31st March 2025
(Amount in ₹ Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

3. Investment in Unquoted Equity Shares, fully paid up- carried at cost

Particulars	No. of Shares		(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025
(a) Investment in 50:50 Joint Venture Company				
Mahindra MSTC Recycling Private Limited (Face Value ₹ 10/- each)	40,000,000	35,000,000	4,000.00	3,500.00

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

Particulars	(Amount in ₹ Lakhs)	
	31 st March, 2026	31 st March, 2025
Opening Value of Investment in JV	1,156.23	1,249.52
Investment During the Year	500.00	500.00
Increase(+)/Decrease(-) in Value due to Current Period Profit/ Loss in JV shown in P/L	(469.55)	(596.88)
Increase(+)/Decrease(-) in Value due to Current Period Income/ (Expense) in JV shown in OCI	1.43	3.59
Closing Balance of Investment in JV	1,188.11	1,156.23

- a) During F.Y. 2025-26 MSTC Limited have invested ₹ 500 Lakhs (Previous Year ₹ 500 Lakhs) towards unquoted equity contribution in Mahindra MSTC Recycling Private Limited.
- b) In terms of impairment testing under Ind AS 36, the recoverable amount of the investment in MMRPL was determined based on the fair value derived using the Discounted Cash Flow (DCF) method. The fair value of MSTC Limited's investment in MMRPL as on March 31, 2026, was assessed at ₹ 2,850.00 Lakhs (Previous Year - ₹ 2,494.00 Lakhs). The carrying amount of investment ₹ 1,188.11 Lakhs (Previous Year - ₹ 1,156.23 Lakhs) is less than the fair value as determined i.e. ₹ 2,850.00 Lakhs (Previous Year - ₹ 2,494.00 Lakhs). Hence the Investment is shown at carrying amount.
- c) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration received was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 Lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 Lakhs, which were directly attributable to the transaction. After accounting for these deductions, the net proceeds from Disposal of Investment in wholly owned subsidiary amounted to ₹ 30,169.19 Lakhs.
- d) There was no transfer of funds to the investor in the form of cash dividends, repayment of loans or advances or other distributions during the year or any previous pre years nor there is any significant restrictions, on the ability of the Joint Venture to transfer funds to the investor in the form of cash dividends, repayment of loans or advances or other distributions.

4. Other Financial Assets (Non- Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Security deposits	129.73	156.22
(b) Other loans and advances Loans to employees	160.13	189.15
(c) Balance with scheduled banks in deposit accounts	0.80	0.80
Net other financial assets	290.66	346.17

4.1 The term deposits are pledged with banks as margin for guarantees and lockers.

5. Non-Current Tax Assets

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Advance payment of Taxes	62,673.55	61,720.78
Less: Provision for Taxation	58,932.51	55,125.13
Non-Current tax assets	3,741.04	6,595.65

6. Deferred Tax Assets (Net)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Through Profit or Loss		
Deferred Tax (Liabilities) / Assets:		
Tax effect of items constituting Deferred Tax Liabilities		
EFBS Scheme	(27.96)	(35.33)
On difference between Book Balance and Tax Balance of Property, Plant and Equipment & Intangible Assets	(520.31)	(211.49)
Tax effect of items constituting Deferred Tax Liabilities	(548.27)	(246.82)
Tax effect of items constituting Deferred Tax Assets		
Allowances for doubtful debts / advances	8,766.16	8,788.93
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	1,189.34	1,077.20
Tax effect of items constituting Deferred Tax Assets	9,955.50	9,866.13
Deferred Tax (Liabilities) / Assets (Net) (through P&L)	9,407.23	9,619.31
(b) Through Other Comprehensive Income		
Tax effect of items constituting Deferred Tax Assets		
Remeasurement of Defined Benefit Plan	144.02	163.45
Deferred Tax (Liabilities) / Assets (Net) (through OCI)	144.02	163.45
Deferred Tax (Liabilities) / Assets (Net)	9,551.25	9,782.76

7. Other Assets (Non- Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Advance with public bodies		
I.T.(TDS) & Sales Tax	5,167.19	1,588.73
(b) Other Advances		
(i) Prepaid expenses	51.08	67.56
(ii) Capital Advance and Others*	5.55	13,192.30
(iii) Gratuity	21.89	123.01
Total Other assets	5,245.71	14,971.60

* Capital Advance and Others includes an amount of ₹ NIL (Previous Year: ₹ 12,965.33 Lakhs paid towards the acquisition of office space at New Delhi from the Ministry of Housing and Urban Affairs (MoHUA) through NBCC (India) Limited. In terms of Possession and No Dues Certificate issued by NBCC (India) Limited on behalf of MoHUA dated 01.04.2025, the possession of the said unit has been formally handed over to MSTC Limited.)

8. Trade Receivables (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Trade receivables		
(a) Considered Good - Secured	17,253.25	24,548.87
(b) Considered Good - Unsecured	5,437.23	6,405.52
(c) Credit Impaired	44,102.32	44,192.82
Less: Allowance for Doubtful trade receivables	44,102.32	44,192.82
Total Trade Receivables- Current	22,690.48	30,954.39

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

Notes :

8.1 Trade Receivables

(Amount in ₹ Lakhs)

Particulars	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 years	More Than 3 Years	Total
As at 31st March 2026						
Undisputed Trade Receivables – Considered Good	11,253.20	1,132.05	427.37	121.49	9,756.37	22,690.48
Undisputed Trade Receivables – Considered Doubtful	-	-	-	121.49	707.60	829.09
Disputed Trade Receivables – Considered Doubtful	-	-	-	-	43,273.23	43,273.23
Less: Allowance for Doubtful trade receivables	-	-	-	121.49	43,980.83	44,102.32
Total	11,253.20	1,132.05	427.37	121.49	9,756.37	22,690.48
As at 31st March 2025						
Undisputed Trade Receivables – Considered Good	19,638.65	707.32	721.13	120.66	9,766.63	30,954.39
Undisputed Trade Receivables – Considered Doubtful	-	103.05	-	120.66	691.00	914.71
Disputed Trade Receivables – Considered Doubtful	-	-	-	-	43,278.11	43,278.11
Less: Allowance for Doubtful trade receivables	-	103.05	-	120.66	43,969.11	44,192.82
Total	19,638.65	707.32	721.13	120.66	9,766.63	30,954.39

Due date of Trade Receivables is considered from the date of Bill.

8.2 : The Current Borrowings includes ₹ 14,361.97 Lakhs (Previous period ₹ 14,361.97 Lakhs) towards payment made by Standard Chartered Bank (SCB), after purchase of export bills of MSTC raised on foreign buyers against export of Gold Jewelleries to the buyers during 2008-09, under a Receivable Purchase Agreement. On non-receipt of the proceeds from the foreign buyers against the bills, SCB submitted claims with the Insurance Company, who, however, wrongfully repudiated the claim of SCB. Thereafter, SCB converted the receivables purchased from MSTC under the Receivables Purchase Agreement into loans/ debts as if owing by MSTC, claimed the amount from MSTC with interest and filed a case, being the Original Application (OA) in the Debt Recovery Tribunal (DRT), Mumbai in the year 2012, which MSTC has denied and disputed. Against this petition, an Interim order claiming ₹ 22,251.00 lakhs was passed by the DRT, Mumbai on 16.09.2017, which has been set aside by the Debt Recovery Appellate Tribunal (DRAT), Mumbai by its order dated 07.08.2023. Consequently, the recovery proceedings have since been dropped. As a result of which MSTC has got refund of ₹ 9,000.00 Lakhs (pre-deposit amount towards hearing of appeal) along with interest of ₹ 534.03 lakhs. The attached properties have also been released. Other proceedings challenging the claim of SCB are also pending before various forums including Hon'ble High Court of Bombay, the Civil Court at Alipore, Kolkata initiated by MSTC both against SCB and the Insurance Company. SCB had also filed a Summary Suit in late 2012 in the Hon'ble Bombay High Court against ICICI Lombard claiming the same amount under the Policy from ICICI Lombard on account of the repudiation of the claim of SCB by ICICI Lombard. SCB has since withdrawn the suit against ICICI Lombard and Hon'ble Bombay High Court has also passed an order dated 17.01.2024 to this effect. Aggrieved by the unilateral withdrawal of suit by SCB against ICICI Lombard, MSTC has filed a counterclaim against SCB in the pending OA at DRT Mumbai. The claim of SCB is contingent upon the outcome of legal cases. Pending final disposal of all such Court cases where the matters are currently pending, MSTC has disclosed the amount simultaneously as Borrowings (vide Note No- 18(b)) and as Trade Receivables. The matter is sub-judice and is contingent in nature, at this juncture.

8.3 : Trade Receivables are generally secured by Bank Guarantees.

8.4: Trade Receivable Credit Impaired Includes the following :

	(Amount in ₹ Lakhs)	
Name of the Party	31 st March, 2026	31 st March, 2025
Gyscoal Alloys Ltd.	605.95	605.95
Meherkiran Enterprises Ltd.	4,300.45	4,300.45
Tirupati Fuels P. Ltd./BALAJI COKE	5,548.71	5,548.71
Sesa International Ltd.	5,871.22	5,871.22
Krishna Coke (India) Pvt Ltd.	1,965.07	1,965.07
Siddhartha Tubes Ltd.	555.63	555.63
Topworth Pipes and Tubes Ltd.	362.71	362.71
Topworth Urja & Metals Ltd.	589.42	594.30
Concast Steel and Power Ltd.	45.99	45.99
Jai Balaji Industries Ltd.	8,182.39	8,182.39
Total	28,027.54	28,032.42

MSTC has initiated all steps including legal action to realise the dues from the above customers. The related cases are pending before adjudicating authorities at various levels.

8.5: Trade Receivables include ₹ 7,496.88 Lakhs (Previous Year ₹ 14,782.24 Lakhs) ,against business done in facilitator mode(net of provision).

8.6: Trade Receivables include ₹ 5,437.23 Lakhs (Previous Year ₹ 6,405.51 Lakhs), against E-Commerce business (net of provision).

	Amount in ₹ Lakhs	
Particulars	31 st March, 2026	31 st March, 2025
Balances with banks		
(i) In Current Account	19,372.35	15,320.41
(ii) In Deposit Account Maturity less than 3 months	36,000.00	22,500.00
Total	55,372.35	37,820.41

	(Amount in ₹ Lakhs)	
Particulars	31 st March, 2026	31 st March, 2025
(i) In Unclaimed dividend account	264.16	3,392.21
(ii) Deposits with maturity of more than 3 months but upto 12 months	77,121.57	94,659.87
Total	77,385.73	98,052.08

10.1. The deposit at (ii) includes Margin against guarantee ₹ 2,899.74 Lakhs (Previous Year ₹ 2,967.76 Lakhs).

	(Amount in ₹ Lakhs)	
Particulars	31 st March, 2026	31 st March, 2025
(a) Security Deposits	1,485.15	1,488.07
(b) Deposit with Court	7.46	4.92
(c) Other loans and advances		
(i) Loans to employees	27.03	32.11
(ii) Recoverable Advances to employees	54.42	38.34
(iii) Receivable from vendors / contractors / third party	222.85	147.80
(iv) Other Advances	0.46	-
(d) Interest accrued on		
(i) Term deposits	2,608.17	3,506.69
Total	4,405.54	5,217.93

11.1. No loan was given to Directors/KMP/Related Party as defined under the Companies Act, 2013.

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

12. Other Assets (Current)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Advance with public bodies		
GST & Sales Tax	208.52	171.40
(b) Other Advances		
(i) Advances to employees	199.71	245.64
(ii) Prepaid expenses (*)	150.96	40.29
(iii) Others	5.43	4.28
Total Other assets	564.62	461.61

*Includes ₹ 108.20 Lakhs (Previous Year- NIL) towards Advance Maintenance & Sinking Fund paid to NBCC India Ltd. in respect of the Corporate Office building situated at the World Trade Center, New Delhi.

13. Share Capital

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Authorised:		
15,00,00,000 Ordinary Shares of ₹10 each	15,000.00	15,000.00
	15,000.00	15,000.00
Issued, Subscribed and fully paid up :		
7,04,00,000 Ordinary Shares of ₹10 each	7,040.00	7,040.00
	7,040.00	7,040.00

13(a)(i) Statement of Reconciliation of Shares Outstanding

Particulars	31 st March, 2026			31 st March, 2025		
	Number	Face Value (₹)	Amount (₹ Lakhs)	Number	Face Value (₹)	Amount (₹ Lakhs)
Opening Outstanding Shares	7,04,00,000	10	7,040.00	7,04,00,000	10	7,040.00
Closing Outstanding Shares	7,04,00,000	10	7,040.00	7,04,00,000	10	7,040.00

13(a)(ii) Rights, preferences and restrictions attached to equity shares.

The Company has only one class of ordinary shares ('Equity Shares') having a face value of ₹ 10 each. Each holder of ordinary shares ('Equity Shareholders') is entitled to one vote per share and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

13(a)(iii) : 3,52,00,000 bonus shares have been issued during F.Y 2018-19 in the ratio of 1:1

13(a)(iv) : Details of shareholders holding more than 5% of share holding

	31 st March, 2026		31 st March, 2025		% change
	Number of shares held	% of holding	Number of shares held	% of holding	
President of India (Promoter)	45580800	64.75%	45580800	64.75%	NIL

The Government of India has divested its 25.10 % stake in MSTC Ltd. through IPO during March 2019. Equity shares of MSTC Limited are listed and traded on both BSE Limited and National Stock Exchange of India Limited w.e.f. March 29, 2019. Change in shareholding pattern post IPO is as following:

Particulars	Pre IPO%	Post IPO%
Government of India through President of India (Promoter)	89.85%	64.75%
Other	10.15%	35.25%
Total	100.00%	100.00%

14. Other Equity
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(1) General Reserve		
Opening Balance	49,616.00	49,616.00
Add: Transfer from Retained Earnings	-	-
Closing Balance	49,616.00	49,616.00
(2) Retained Earnings		
Opening Balance	17,185.39	8,050.60
Add: Profit for the year	21,843.32	40,707.21
Other Comprehensive income for the year	59.20	459.58
Less: Interim Dividend 2025-26	(5,350.40)	-
Less: Final Dividend 2023-24	-	(3,520.00)
Less: Interim Dividend 2024-25	-	(28,512.00)
Closing Balance	33,737.51	17,185.39
Total Other Equity (1+2)	83,353.51	66,801.39

15 . Other Financial Liabilities (Non- Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Liability under EFBS Scheme	314.89	356.28
Lease Liability	23.14	-
Total other financial liabilities	338.03	356.28

16 . Provisions (Non- Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Provision for Post Retirement Medical Scheme	1,030.74	958.29
(b) Provision for Leave Encashment	616.57	729.84
Total Provisions	1,647.31	1,688.13

17 . Other Liabilities (Non- Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Advance from customers	1,092.78	1,030.96
Total Other liabilities	1,092.78	1,030.96

18 . Borrowings (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
A. Secured Borrowings		
(a) Repayable on Demand		
Working Capital Demand Loans	138.23	138.23
Total Secured Borrowings	138.23	138.23
B. Unsecured Borrowings		
(a) Repayable on Demand From Banks	14,361.97	14,361.97
Total Unsecured Borrowings	14,361.97	14,361.97
Total Borrowings	14,500.20	14,500.20

a) Loan from Indian Overseas Bank (IOB) amounting to ₹ 138.23 Lakhs : (lying since 19.9.2011) This amount represents legal fees paid by the bank in defending their claims to which the Company has lodged its protest with the Bank. MSTC has filed a case in Hon'ble High Court of Calcutta against IOB for ₹ 3,656.00 Lakhs (which includes ₹ 2,798.00 Lakhs towards debit of LC value & ₹ 858.00 Lakhs as debit towards legal expenses).

b) The Current Borrowings includes ₹ 14,361.97 Lakhs (Previous period ₹ 14,361.97 Lakhs) towards payment made by Standard Chartered Bank (SCB), after purchase of export bills of MSTC raised on foreign buyers against export of Gold Jewelleries to the buyers during 2008-09, under a Receivable Purchase Agreement. On non-receipt of the proceeds from the foreign buyers against the bills, SCB submitted claims with the Insurance Company, who, however, wrongfully repudiated the claim of SCB. Thereafter, SCB converted the receivables purchased from MSTC under the Receivables Purchase Agreement into loans/ debts as if owing by MSTC, claimed the amount from MSTC with interest and filed a case, being the Original Application (OA) in the Debt Recovery Tribunal (DRT), Mumbai in the year 2012, which MSTC has denied and disputed. Against this petition, an Interim order claiming ₹ 22,251.00 lakhs was passed by the DRT, Mumbai on 16.09.2017, which has been set aside by the Debt Recovery Appellate Tribunal (DRAT), Mumbai by its order dated 07.08.2023. Consequently, the recovery proceedings have since been dropped. As a result of which MSTC has got refund of ₹ 9,000.00 Lakhs (pre-deposit amount towards hearing of appeal) along with interest of ₹ 534.03 lakhs. The attached properties have also been released. Other proceedings challenging the claim of SCB are also pending before various forums including Hon'ble High Court of Bombay, the Civil Court at Alipore, Kolkata initiated by MSTC both against SCB and the Insurance Company. SCB had also filed a Summary Suit in late 2012 in the Hon'ble Bombay High Court against ICICI Lombard claiming the same amount under the Policy from ICICI Lombard on account of the repudiation of the claim of SCB by ICICI Lombard. SCB has since withdrawn the suit against ICICI Lombard and Hon'ble Bombay High Court has also passed an order dated 17.01.2024 to this effect. Aggrieved by the unilateral withdrawal of suit by SCB against ICICI Lombard, MSTC has filed a counterclaim against SCB in the pending OA at DRT Mumbai. The claim of SCB is contingent upon the outcome of legal cases. Pending final disposal of all such Court cases where the matters are currently pending, MSTC has disclosed the amount simultaneously as Unsecured Borrowings and as Trade Receivables (vide Note No. - 8.2). The matter is sub-judice and is contingent in nature, at this juncture.

19. Trade Payables (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Creditors for supplies and services		
- Dues to micro and small enterprises	-	5.99
- Others	12,616.32	12,305.28
Total trade payables	12,616.32	12,311.27

Notes:
19.1 Trade Payables (Current)
As at 31st March 2026
(Amount in ₹ Lakhs)

Particulars	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-
Others	599.88	38.31	76.28	11,901.85	12,616.32
Total	599.88	38.31	76.28	11,901.85	12,616.32

As at 31st March 2025
(Amount in ₹ Lakhs)

Particulars	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	5.99	-	-	-	5.99
Others	343.32	76.28	76.28	11,809.40	12,305.28
Total	349.31	76.28	76.28	11,809.40	12,311.27

a) Due date is from the date of billing and/or from the date of accounting, as the case may be. There is no disputed dues.

b) Both as at March 31, 2026 and as at March 31, 2025, there is no interest and overdue payment of more than 45 days outstanding to Micro, Small and Medium Enterprises (MSME).

20. Other Financial Liabilities (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Interest payable		
(i) Interest accrued but not due on borrowings	7,889.03	7,889.03
(b) Unclaimed dividends	264.16	3,392.19
(c) Creditors for other liabilities		
(i) Security deposits/EMD	47,750.29	59,713.95
(ii) Deposits received from customers	20,567.82	32,409.71
(iii) Deposit under EFBS	255.16	255.16
(iv) Payable under EFBS Deposit schemes	70.66	70.66
(v) Others	30.70	31.17
(d) Accrued wages and salaries*	1,618.78	2,013.66
(e) Lease Liability	-	-
Total other financial liabilities	78,446.60	105,775.53

(a) * Includes ₹ 193.78 Lakhs (Previous Year ₹ 461.67 Lakhs) towards provision for pension benefit of employees.

21. Other Liabilities (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(ii) Statutory Dues		
(a) GST and Professional Tax payable	824.53	484.68
(b) Tax Deducted and Collected at Source	369.40	1,120.29
(ii) Advance from customers	756.85	718.06
Total Other liabilities	1,950.78	2,323.03

22. Provisions (Current)
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Provision for PF Trust #	85.96	12.96
Total Provisions	85.96	12.96

This represents the provision for ₹ 85.96 lakhs (Previous Year - ₹ 12.96 lakhs) towards the contribution for deficit in income of PF Trust. (Refer Note No. - 35).

23. Revenue from Operations
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Service Charges	33,120.34	28,306.68
(b) Other Operating Revenues	3,845.32	2,789.28
Total Revenue from Operations	36,965.66	31,095.96

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

a) During the year, an amount of ₹ 1,189.14 Lakhs (Previous Year ₹ 872.06 Lakhs) was collected towards E-auction Registration. Out of total collection of current year, an amount of ₹ 818.66 Lakhs (Previous Year ₹ 616.73 Lakhs) has been kept in liabilities to be distributed in subsequent four years as per accounting policy, since related registration is valid for life long. Accumulated undistributed balance standing as on 31.03.2026 is ₹ 1,849.63 Lakhs (Previous Year ₹ 1,749.02 Lakhs). Balances for which registration is valid upto one year is accounted for as income during the current period.

b) Other Operating Revenues also include Interest from customers ₹ 2,398.65 Lakhs (Previous Year ₹ 1,529.76 Lakhs) .

24. Other Income

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Interest Income		
(i) Interest on FDR	6,834.79	7,246.37
(ii) Interest on Employee Advances	12.08	14.49
(b) Liability written back #	1,471.19	-
(c) Miscellaneous Income	19.97	393.38
Total Other Income	8,338.03	7,654.24

Liability written back above represent ₹ 1,471.19 Lakhs (Previous Year - NIL) liabilities ageing more than five years written back in terms of Accounting Policy approved by the Board.

25. Employee Benefits Expense

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Salaries and Wages, including Bonus	7,748.77	7,632.14
(b) Contribution to Provident and other funds (*)	1,174.52	635.00
(c) Staff Welfare Expenses	949.21	864.99
Total Employee Benefits Expense	9,872.50	9,132.13

(*) Contribution to Provident and other funds above include ₹ 238.17 Lakhs (Previous Year - NIL) pertaining to liability on account of increase in Gratuity limit from ₹ 20.00 Lakhs to ₹ 25.00 Lakhs (due to increase in DA above 50% of Basic Pay in terms of DPE guidelines).

26. Finance Costs

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Interest expense		
Interest paid to Customers	-	18.00
Total Finance costs	-	18.00

27 . Other Expenses
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(a) Repairs and Maintenance	1,200.92	1,024.54
(b) EDP Expenses	175.54	152.36
(c) Insurance charges	7.05	4.46
(d) Rent	306.66	363.45
(e) Rates and taxes	429.25	30.00
(f) Bank Charges	16.06	15.16
(g) Travelling Expenses	262.10	164.63
(h) Foreign Travelling Expenses	-	-
(i) Car Hire Charges	189.86	169.31
(j) Meeting and Conference	79.25	84.09
(k) Training	27.58	43.54
(l) Directors' Sitting Fees	10.00	5.20
(m) Statutory Auditor's Remuneration		
(i) Audit Fees	12.70	11.60
(ii) Tax Audit Fees	1.50	1.75
(iii) Out-of-Pocket Expenses	3.61	3.95
(n) Stock Yard Expenses	0.11	7.25
(o) Telex, Postage and Telegram	7.82	5.57
(p) Electricity	139.07	121.84
(q) Printing and Stationery	27.11	27.79
(r) Entertainment	25.11	26.31
(s) Telephone Charges	68.47	63.82
(t) Advertisement	135.96	79.48
(u) Legal Expenses	358.39	172.11
(v) Consultancy Charges	89.52	93.09
(w) Internal Audit fees	4.32	5.10
(x) Out-of-Pocket Expenses (Internal Auditor)	18.02	9.17
(y) Staff Recruitment Expenses	53.13	8.15
(z) Newspaper, Books and Periodicals	3.85	3.32
(aa) Corporate Social Responsibility (Refer Note No- 37) #	734.64	480.81
(ab) Auction Tender Expenses	241.43	169.16
(ac) Allowance for Bad and Doubtful Advances	(90.50)	51.64
(ad) Miscellaneous Expenses *	135.81	142.11
(ae) Research & Development Expense	-	65.67
(af) Plot Rent	7.46	7.46
Total Other Expenses	4,681.80	3,613.89

* The Government of India notified new labour codes, effective from November 21, 2025. The Ministry of Labour & Employment has published draft Rules and FAQs to enable assessment of the financial impact due to changes in regulation. The Company has provided for ₹ 10.20 Lakhs (Previous Year - NIL) on account of Gratuity liability of fixed term employees in this regard, in terms of Actuarial Valuation based on internal assessment of the Company. The Company continues to monitor the notification of State Rules and clarifications from the Government on other aspects of the Labour Code. It is also in the process of detailed assessment and would provide appropriate accounting effect on the basis of such developments as needed.

Corporate Social Responsibility (CSR) Expenses above includes Unspent CSR provision amount of ₹ 34.64 Lakhs (Previous Year - NIL)

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

27A. Exceptional Items: Income/(Expenses)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Disposal of Investment in wholly owned subsidiary (#)	-	30,169.19
Litigation Settlement (@)	-	(3,850.33)
Total	-	26,318.86

(#) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 lakhs, which were directly attributable to the transaction. Taking into account for these deductions, the net proceeds from disposal of Investment in wholly owned subsidiary amounted to ₹ 30,169.19 lakhs.

(@) Litigation settlement in the previous FY 2024-25, includes expenditure of ₹ 3,850.33 lakhs (USD 38.93 Lakhs and ₹ 481.98 Lakhs) towards payment and provision on account of very old arbitration awards.

28: The Company has also provided material as facilitator as per details below:

(Amount in ₹ Lakhs)

Description of material	F.Y.	Qty	Material Value	Service Charges Earned
Cement (MT)	2025-26	7,970.00	563.19	12.56
	2024-25	34,587.00	1,733.90	37.94
HSD (KL)	2025-26	7,198.00	5,826.27	36.04
	2024-25	7,448.00	6,694.39	47.04
Misc Items	2025-26	-	-	6.11
	2024-25	14,776.00	1,219.00	13.27
TMT Bar (MT)	2025-26	-	-	-
	2024-25	-	-	1.47
MS Sheet/Plate/Flat (MT)	2025-26	10,445.00	7,878.00	54.35
	2024-25	2,825.00	1,958.00	37.14
Bitumin (MT)	2025-26	-	-	-
	2024-25	300.00	100.00	0.60
HR Coil (MT)	2025-26	2,190.00	1,230.15	39.67
	2024-25	8,425.00	5,995.00	47.86
Total	2025-26	27,803.00	15,497.61	148.73
	2024-25	68,361.00	17,700.29	185.32

29 : Segmental Reporting as per IndAS 108:

In terms of IndAS 108 the Company has identified Marketing and E-Commerce as its two Primary Reportable Business Segments.

(Amount in ₹ Lakhs)					
Description of material	FY	Marketing	E-Commerce	Others (unallocated)	Total
Total Income	2025-26	2,547.38	41,253.07	1,503.24	45,303.69
	2024-25	1,715.08	36,627.25	407.87	38,750.20
Total expenses	2025-26	9.17	333.47	15,247.98	15,590.62
	2024-25	86.66	326.91	13,259.21	13,672.78
Profit before Exceptional items and Tax	2025-26	2,538.21	40,919.60	(14,214.29)	29,243.52
	2024-25	1,628.42	36,300.34	(13,448.22)	24,480.54
Exceptional Items: Income/(Expenses)	2025-26	-	-	-	-
	2024-25	-	-	26,318.86	26,318.86
Result (Profit/Loss(-) before Tax)	2025-26	2,538.21	40,919.60	(14,214.29)	29,243.52
	2024-25	1,628.42	36,300.34	12,870.64	50,799.40
Tax expenses	2025-26				7,400.20
	2024-25				10,092.19
Profit/ Loss(-) for the period	2025-26				21,843.32
	2024-25				40,707.21

Assets and liabilities used in the Company's business are not identified to any of the reportable segments, as these are used interchangeably between the segments. Hence the Management believes, that it is currently not practicable to provide segmentwise disclosure relating to assets and liabilities.

The Board of Directors, in its 335th meeting held on 12.11.2025 has decided to discontinue the procurement business under BG backed model of Marketing Division. Accordingly, the marketing business ceases to exist w.e.f. FY 2026-27.

Information about major customers

No single external customer amounting to 10 per cent or more of the entity's revenues exist.

30. Contingent Liabilities & Commitments

(a) Contingent Liabilities			(Amount in ₹ Lakhs)	
SI No.	Particulars	31 st March, 2026	31 st March, 2025	
1	Sales Tax & VAT	1,994.06	2,006.44	
2	GST	5.34	3.90	
3	Customs Act	1,189.31	1,189.31	
4	Money Suits	15,774.51	15,777.63	
5	Arbitration	9,229.57	-	
6	Income Tax	25,773.50	18,475.22	
7	Service Tax	1,490.10	1,490.10	
8	Outstanding Bank Guarantees	492.04	560.06	
	Total	55,948.43	39,502.66	
(b) Commitments			(Amount in ₹ Lakhs)	
SI No.	Particulars	31 st March, 2026	31 st March, 2025	
1	Purchase of New Office at New Delhi	-	1,502.07	
2	Intangible Assets under development	246.62	-	
	Total	246.62	1,502.07	

31. Tax Expenses
(i) Income Tax Recognised in the Statement of Profit and Loss
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(1) Current Tax - For the period	7,188.12	10,168.67
(2) Deferred Tax	212.08	(76.48)
Total income tax expense recognised in the current year	7,400.20	10,092.19

(ii) The income tax expense for the period can be reconciled to the accounting profit/(loss) as follows:
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
(1) Profit before tax for the period		
(a) From Business Income	29,569.07	20,221.09
(b) From Long Term Capital Gain arising from Sale of Wholly owned Subsidiary (#)	-	30,169.19
(2) Income tax expense		
(a) From Business Income calculated at 25.168 %	7,441.94	5,089.24
(b) From Long Term Capital Gain arising from Sale of Wholly owned Subsidiary calculated at 14.625 %	-	7,592.98
(3) Effect of expenses that are not deductible in determining taxable profit	(41.74)	(5.30)
(4) Effect of Taxes on Bad Debt written off	-	(2,584.73)
Total income tax expense recognised in the current year	7,400.20	10,092.19

(#) During the previous financial year 2024-25, the Company completed the sale of its wholly owned subsidiary, Ferro Scrap Nigam Limited (FSNL), to Konoike Transport Co., Ltd. The total sale consideration received was ₹ 32,000.00 lakhs. The cost of acquisition of FSNL, as recorded in the books, amounted to ₹ 1,581.00 lakhs. In connection with the sale of the 100% equity investment in FSNL, the Company incurred costs amounting to ₹ 249.81 lakhs, which were directly attributable to the transaction. After accounting for these deductions, the net long-term capital gain arising from the sale amounted to ₹ 30,169.19 Lakhs.

The tax rate used for the year 2025-26 in the reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the new regime of Indian tax law. The tax rate used for the previous financial year 2024-25 in the reconciliations above is the corporate tax rate of 25.168% for business income and 14.625 % for Long Term Capital Gain arising from Sale of Wholly owned Subsidiary payable by corporate entities in India on taxable profits under the new regime of Indian tax law. For Deferred Tax calculation of financial year 2025-26 and 2024-25, income tax rate considered is 25.168%.

The company has booked Impairment Loss related to Investment in JV company "Mahindra MSTC Recycling Private Limited" amounting to ₹ 1,006.00 lakh in FY 2024-25 and ₹ 144.00 lakh in FY 2025-26. However, as a conservative approach, it has not created any deferred tax assets amounting to ₹ 253.19 lakhs in FY 2024-25 and ₹ 36.24 lakh in FY 2025-26 on Impairment losses.

(iii) Movement in Deferred Tax
(Amount in ₹ Lakhs)

Particulars	31 st March, 2025	Charge/ (credit) for the Year	31 st March, 2026
Through Profit or Loss			
Deferred Tax Liabilities			
Employee Family Benefit Scheme	(35.33)	7.37	(27.96)
Property, Plant & Equipment and Intangible Assets	(211.49)	(308.82)	(520.31)
Total Deferred Tax Liabilities	(246.82)	(301.45)	(548.27)
Deferred Tax Assets			
Provision against other expenses	1,077.20	112.14	1,189.34
Allowance for Doubtful Debts & Advances	8,788.93	(22.77)	8,766.16
Total Deferred Tax Assets	9,866.13	89.37	9,955.50
Total Deferred Tax (Liabilities)/ Assets	9,619.31	(212.08)	9,407.23
Through Other Comprehensive Income			
Deferred Tax Assets			
Remeasurement of Defined Benefit Plan	163.45	(19.43)	144.02
Gross Deferred Tax (Liabilities)/ Assets	9,782.76	(231.51)	9,551.25

32. Earnings Per Share
(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Profit for the period	21,843.32	40,707.21
Profit attributable to Shareholders	21,843.32	40,707.21
Weighted average No. of Shares for Basic EPS	70,400,000	70,400,000
Nominal value of Ordinary Shares (₹)	10.00	10.00
Basic/Diluted Earnings Per Share (₹ Per Share)	31.03	57.82

33. Disclosures on Financial Instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on Balance Sheet items that contain Financial Instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of Financial Asset, Financial Liability and Equity Instrument are disclosed in notes to the Consolidated Financial Statements.

(1) Categories of Financial Instruments

The following table presents carrying amount and fair value of each category of financial assets and liabilities as at the year end. The Carrying value is equivalent to the Fair value.

(Amount in ₹ Lakhs)

Financial assets	31 st March, 2026	31 st March, 2025	Measured at
Trade Receivables	22,690.48	30,954.39	Amortised Cost
Other Financial Assets	4,696.20	5,564.10	Amortised Cost
Cash and Cash Equivalents	55,372.35	37,820.41	Amortised Cost
Other Bank Balances	77,385.73	98,052.08	Amortised Cost
Investments	1,188.11	1,156.23	Amortised Cost
Total Financial Assets	161,332.87	173,547.21	

(Amount in ₹ Lakhs)

Financial Liabilities	31 st March, 2026	31 st March, 2025	Measured at
Borrowings	14,500.20	14,500.20	Amortised Cost
Trade Payables	12,616.32	12,311.27	Amortised Cost
Other Financial Liabilities	78,784.63	106,131.81	Amortised Cost
Total Financial Liabilities	105,901.15	132,943.28	

(2) Capital Management

The Group manages its capital to ensure that the Group is able to continue as going concern while maximising the return to shareholders through optimisation of the debt and equity balance. The Group is not subject to any externally imposed capital requirements.

(3) Financial Risk Management Objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risks (like- Currency Risk, Interest Rate Risk and other Price Risk), Credit Risk and Liquidity Risk. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into any transactions involving trade of Financial Instruments, including derivative Financial Instruments, for speculative purposes.

(a) Market Risk

The Group's activities exposes it, primarily to the financial risks of changes in foreign currency exchange rates. On a case to case basis, the Group enters into Forward foreign exchange contracts to hedge the exchange rate risk as and when necessary.

(i) Interest Rate Risk Management

The Group endeavours to convert its loans to MCLR based, with the rate being firm for a contract period usually for a year as and when necessary.

(ii) Foreign Currency Risk Management

Wherever foreign exchange fluctuations are to be borne by the customers as per agreement with them, foreign exchange gain/ loss are not recognized in the books of the Group.

(b) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated by agencies where available and if not available, the Group uses other publicly available financial information and its own past records to rate its major customer. The Group's exposure and the credit ratings of its counterparties are monitored and the aggregated value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Senior management committee. Furthermore, in case of Marketing Segment, the business is done with a backup of Bank Guarantee.

(c) Liquidity Risk Management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, if required, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual undiscounted cash obligations of financial liabilities including estimated interest payments for the period 31st March 2026 and as at 31st March 2025.

(Amount in ₹ Lakhs)

Financial Liabilities	31 st March, 2026				
	Carrying Amount	Contractual Cash Flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	14,500.20	14,500.20	14,500.20	-	-
Trade Payables	12,616.32	12,616.32	12,616.32	-	-
Other Financial Liabilities	78,784.63	79,024.68	78,448.29	222.87	353.52
Total	105,901.15	106,141.20	105,564.81	222.87	353.52

(Amount in ₹ Lakhs)

Financial Liabilities	31 st March, 2025				
	Carrying Amount	Contractual Cash Flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	14,500.20	14,500.20	14,500.20	-	-
Trade Payables	12,311.27	12,311.27	12,311.27	-	-
Other Financial Liabilities	106,131.81	106,272.17	105,775.53	252.90	243.74
Total	132,943.28	133,083.64	132,587.00	252.90	243.74

(d) Fair value Measurement

None of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

34. Related Party Disclosures
(i) Name of the related parties and description of relationship:
(1) Joint Venture

Mahindra MSTC Recycling Private Limited

(2) Key Managerial Personnel

Shri Manobendra Ghoshal	Chairman and Managing Director
Shri Subrata Sarkar	Director (Finance) & CFO
Smt. Bhanu Kumar	Director (Commercial)
Smt. Alka Chandrakar	Independent Director
Shri Chandra Shekar Baghel	Independent Director
Shri Ramesh Kumar Soni (upto 14.04.2026)	Independent Director
Shri Adya Prasad Pandey (upto 31.10.2024)	Independent Director
Shri Vasant Ashok Patil (upto 31.10.2024)	Independent Director
Shri Ajay Kumar Rai	Company Secretary

(ii) Transaction with Related Parties
(a) Compensation to Key Managerial Personnel
(Amount in ₹ Lakhs)

Particulars	Nature of related party /relationship	Remuneration			Total
		Short Term Benefit	Post Employment Benefits	Other Long Term Benefits	
For the year ended 31 st March 2026					
Shri Manobendra Ghoshal	Chairman and Managing Director	103.70	11.60	6.29	121.59
Shri Surinder Kumar Gupta (Upto 31.12.2023)	Chairman and Managing Director	16.44	-	-	16.44
Shri Subrata Sarkar	Director (Finance) & CFO	89.70	9.09	(1.52)	97.27
Smt. Bhanu Kumar	Director (Commercial)	102.35	11.72	(0.29)	113.78
Smt. Alka Chandrakar	Independent Director	2.60*	-	-	2.60
Shri Chandra Shekar Baghel	Independent Director	2.80*	-	-	2.80
Shri Ramesh Kumar Soni (upto 14.04.2026)	Independent Director	4.60*	-	-	4.60
Shri Ajay Kumar Rai	Company Secretary	56.17	5.15	3.38	64.70

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

(Amount in ₹ Lakhs)

Particulars	Nature of related party /relationship	Remuneration			Total
		Short Term Benefit	Post Employment Benefits	Other Long Term Benefits	
For the year ended 31st March 2025					
Shri Manobendra Ghoshal (From 01.01.2024)	Chairman and Managing Director	72.30	4.94	6.89	84.13
Shri Surinder Kumar Gupta (Upto 31.12.2023)	Chairman and Managing Director	1.30	2.68	-	3.98
Shri Subrata Sarkar	Director (Finance) & CFO	53.71	4.37	3.44	61.52
Smt. Bhanu Kumar	Director (Commercial)	63.04	6.15	3.44	72.63
Shri Ajay Kumar Rai	Company Secretary	44.18	4.14	2.12	50.44
Shri Adya Prasad Pandey (upto 31.10.2024)	Independent Director	2.40*	-	-	2.40
Shri Vasant Ashok Patil (upto 31.10.2024)	Independent Director	2.80*	-	-	2.80

Note : * Indicates Directors Sitting Fees.

Since the facility of private use of car for limited mileage is provided by the company to the Directors, such facility has not been considered as benefit/perquisite.

(ii) The remuneration includes Performance Related Pay on actual payment basis.

(b) Transaction with Mahindra MSTC Recycling Private Limited (50:50 Joint Venture)

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Investment in Joint Venture	500.00	500.00
Amount received towards reimbursement of expenditure	49.43	32.33
Amount Received for providing E-Auction Service	27.93	35.61

35. Employee Benefits

Defined Contribution Plans

1. Pension

In terms of Ministry of Steel Directives Pension scheme for the employees of company has been formulated, under Defined Contribution Plan. The company contributes annually to LIC of India / NPS through a Trust. LIC / NPS will provide the pension to the employees from the corpus created on account of employees, by way of contribution from company (The Employer).

Defined Benefits Plans

1. Gratuity:

The Gratuity is payable on service severance in respect of eligible employees. The Gratuity is funded with LIC of India. The Company contributes in the fund every year as premium on the basis of demand raised by LIC of India.

(a). Executives:

The Gratuity is calculated and paid as per the Payment of Gratuity Act, 1972. However, in terms of DPE guidelines, the maximum ceiling of Gratuity is ₹ 25,00,000/- wef 01.10.2025.

(b). Non- Executives:

i) The Gratuity payable to those who joined the company on or after 01.07.2014 is calculated and paid as per the Payment of Gratuity Act, 1972. However, in terms of DPE guidelines, the maximum ceiling of Gratuity is ₹ 25,00,000/- wef 01.10.2025.

- (ii) The Gratuity payable to those who joined the company prior to 01.07.2014 is calculated and paid considering 15/26 days' wages drawn by the employee on 31.10.2023 for every completed year of service till 30 years and one month's wages drawn by the employee on 31.10.2023 for every completed years of service in excess of 30 years and the calculated amount is without any ceiling.

2. Post Retirement Medical Benefit:

The Post Retirement Medical Benefit is a medical benefit to the superannuated employees and their spouse. The members will be covered through Mediclaim Insurance of the Insurance Company. This is available to superannuated employees at any hospital under the Mediclaim Insurance Policy. In addition to this expenses incurred in domiciliary treatment is also reimbursed as per prescribed ceiling. The benefits are funded through a separate trust formed for this purpose. The Company provides the corpus for this as per actuarial valuation.

3. Provident Fund:

The Company operates a Provident Fund scheme for its employees which is managed by an in-house Trust named 'Metal Scrap Trade Corporation Limited Contributory Provident Fund Trust'. Both employees and the Company contribute 12% of the qualifying basic salary and dearness allowance. Employees also have the option to contribute a higher percentage. The Trust is obligated to pay interest to the members at a rate not lower than the statutory rate notified by the Government of India (EPFO). Any shortfall between the actual investment income generated by the Trust and the interest distributed at the EPFO declared rate is to be met by the Company. Accordingly, the plan is classified as a Defined Benefit Plan under Ind AS 19, and an actuarial valuation has been carried out using the Projected Unit Credit Method (PUCM).

4. Risk Management

Investment Risk	The present value of the certain defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(a) The Group has recognised an amount of ₹ 804.95 Lakh (Previous Year ₹ 965.03 Lakhs) in Statement of Profit and Loss for the current year as expenses under defined contribution plans.

(Amount in ₹ Lakhs)

Benefit (Contribution to)	31st March, 2026	31st March, 2025
Provident Fund & others*	611.17	503.36
Pension	193.78	461.67
Total	804.95	965.03

* This represents the provision for ₹ 85.96 lakhs (Previous Year - ₹ 12.96 lakhs) towards the contribution for deficit in income of PF Trust in declaring the minimum rate of return as per EPFO.

(b) The company operates post retirement defined benefit plans as follows :

i. Funded:

- a. Gratuity.
- b. Post Retirement Medical Benefit Scheme.
- c. Provident Fund

(c) Details of the Gratuity Plan are as follows :

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
1. Assumptions		
a. Discount Rate (per annum)	7.29%	6.66%
b. Estimated rate of return on plan assets (per annum)	7.29%	6.66%
c. Rate of escalation in salary (per annum)	"Regular: 8% Contract: 0%"	8.00%

2. Amounts recognised in Consolidated statement of profit and loss in respect of defined benefit plans under Gratuity are as follows:

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Current Service Cost	132.87	110.58
b. Past Service Cost	315.00	-
c. Service Cost	447.87	110.58
d. Net Interest on net defined benefit liability / (asset)	(11.70)	(5.73)
e. Cost recognized in P&L	436.17	104.85
Remeasurement on the Net Defined Benefit Liability/(Asset):		
a. Actuarial (gain)/loss due to DBO Experience	(57.09)	(12.44)
b. Actuarial (gain)/loss due to DBO assumption changes	(100.85)	47.97
c. Actuarial (gain)/loss arising during period	(157.94)	35.53
d. Return on plan assets (greater)/less than discount rate	(20.25)	(19.17)
e. Actuarial (gains)/losses recognised in OCI	(178.19)	16.36
f. (Income)/Cost recognized in OCI	(178.19)	16.36

3. The Current Service Cost and the Net Interest Expenses for the year are included in the 'Employee Benefits Expense' line item in the Consolidated Statement of Profit and Loss on the basis of Actuarial Valuation under Ind AS 19.

4. The remeasurement of the Net Defined Benefit Liability is included in Other Comprehensive Income.

5(a). Movements in the Present Value of the Defined Benefit Obligation are as follows:
(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Obligation as at the beginning of the year	2,153.37	2,042.41
b. Current Service Cost	132.87	110.58
c. Interest Cost on DBO	139.91	142.96
d. Past Service Cost- Plan Amendment	315.00	-
e. Acquisitions (credit)/cost	-	-
f. Actuarial gains and losses arising from changes in financial assumptions	(100.85)	47.97
g. Actuarial gains and losses arising from experience adjustments	(57.09)	(12.44)
h. Benefits paid from plan asset	(164.86)	(178.11)
i. Closing defined benefit Obligation	2,418.35	2,153.37

5(b). Movements in the Fair Value of the Plan Assets are as follows:
(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	2,276.38	2,124.19
b. Interest Income on plan assets	151.61	148.69
c. Employer Contributions	156.85	162.44
d. Return on plan assets greater/(lesser) than discount rate	20.26	19.17
e. Benefits paid	(164.86)	(178.11)
f. Fair Value of assets at the end of current period	2,440.24	2,276.38

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary escalation. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ Lakhs)

Effect of a 1% change in Discount Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	(146.11)	(135.37)
(ii) closing balance of obligation	2,272.24	2,018.00
Decrease		
(i) aggregate current service and interest cost	165.52	154.09
(ii) closing balance of obligation	2,583.87	2,307.46

(Amount in ₹ Lakhs)

Effect of a 1% change in Salary Escalation Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	37.95	48.25
(ii) closing balance of obligation	2,456.30	2,201.62
Decrease		
(i) aggregate current service and interest cost	(30.32)	(47.98)
(ii) closing balance of obligation	2,388.03	2,105.39

7. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

8. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.
(d) Details of the Post Retirement Medical Benefit Scheme are as follows :

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
1. Assumptions		
a. Discount Rate (per annum)	7.29%	7.00%
b. Medical Inflation (per annum)	5.00%	5.00%

2. Amounts recognised in Consolidated Statement of Profit and Loss in respect of Defined Benefit Plans under Post Retirement Medical Benefit Scheme are as follows:

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Current Service Cost	60.68	56.13
b. Service Cost	60.68	56.13
c. Net Interest on Net Defined Benefit Liability / (Asset)	60.35	103.79
d. Cost recognized in P&L	121.03	159.92
Remeasurement on the Net Defined Benefit Liability/Asset:		
e. Actuarial (gain)/loss due to DBO Experience	324.71	(647.87)
f. Actuarial (gain)/loss due to DBO assumption changes	(187.65)	88.01
g. Actuarial (gain)/loss arising during period	137.06	(559.86)
h. Return on plan assets (greater)/less than discount rate	(36.07)	(65.84)
i. Actuarial (gains)/losses recognised in OCI	100.99	(625.70)
j. Adjustments for limit on net assets	-	-
k. (Income)/Cost recognized in OCI	100.99	(625.70)

3. The Current Service Cost and the Net Interest Expenses for the year are included in the 'Employee Benefits Expense' line item in the Consolidated Statement of Profit and Loss.

4. The remeasurement of the Net Defined Benefit Liability is included in Other Comprehensive Income.

5. Movements in the Present Value of the Defined Benefit Obligation are as follows: (Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Obligation as at the beginning of the year	2,397.31	2,869.13
b. Current Service Cost	60.68	56.13
c. Interest Cost	156.19	196.97
d. Actuarial gains and losses arising from changes in financial assumptions	(187.65)	88.01
e. Actuarial gains and losses arising from experience adjustments	324.71	(647.87)
f. Benefits paid directly by the Company	(184.49)	(165.07)
g. Closing defined benefit Obligation	2,566.75	2,397.31

6. Movements in the Fair Value of the Plan Assets are as follows (Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	1,439.02	1,331.18
b. Interest Income on plan assets	95.84	93.18
c. Employer Contributions	149.57	113.88
d. Return on plan assets greater/(lesser) than discount rate	36.07	65.84
e. Benefits paid	(184.49)	(165.07)
f. Fair Value of assets at the end of current period	1536.02	1,439.01

7. **Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected medical cost inflation. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.** (Amount in ₹ Lakhs)

Effect of a 1 % change in Discount Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	(254.17)	(237.99)
(ii) closing balance of obligation	2,312.58	2,159.32
Decrease		
(i) aggregate current service and interest cost	309.71	290.03
(ii) closing balance of obligation	2,876.46	2,687.34

(Amount in ₹ Lakhs)

Effect of a 1 % change in Medical Inflation Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	226.46	193.73
(ii) closing balance of obligation	2,793.21	2,591.04
Decrease		
(i) aggregate current service and interest cost	(186.02)	(158.66)
(ii) closing balance of obligation	2,380.73	2,238.65

- (e) Details of the Provident Fund Plan are as follows :

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The Company has an obligation to ensure minimum rate of return to the members as specified by Government of India. Accordingly, the Company has obtained report of the actuary, based on which overall interest earnings and cumulative surplus is more than the statutory interest payment requirement for all the periods presented. Further, contribution to employees' pension scheme is paid to the appropriate authorities.

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
1. Assumptions		
a. Discount rate (per annum)	6.83%	6.66%
b. Assumed future interest accrual by EPFO (per annum)	8.25%	8.25%

- 2. Amounts recognised in Standalone statement of profit and loss in respect of defined benefit plans under Provident Fund Plan are as follows:**

(Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Current service cost	622.93	519.92
b. Service Cost	622.93	519.92
c. Cost recognized in P&L	622.93	519.92

CONSOLIDATED FINANCIAL STATEMENTS

61st ANNUAL REPORT 2025-26

3. The current service cost for the year are included in the 'Employee Benefits Expense' line item in the standalone statement of profit and loss.

4. Movements in the present value of the Defined Benefit Obligation are as follows: (Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Obligation as at the beginning of the year	11,320.66	10,738.71
b. Net Current Service Cost	622.93	519.92
c. Interest Cost on Defined Benefit Obligation	943.21	861.75
d. Actuarial (Gain) / Loss	37.81	(1.90)
e. Benefits paid	(1,043.94)	(1,500.87)
f. Actual Plan Participants' Contributions	846.96	703.05
g. Projected Defined Benefit Obligation, End of Period	12,727.63	11,320.66
h. Interest Rate Guarantee (If any included in "g" above)	40.71	-
g. Closing defined benefit Obligation	12,727.63	11,320.66

5. Movements in the Fair Value of the Plan Assets are as follows: (Amount in ₹ Lakhs)

Description	For the year ended	
	31 st March, 2026	31 st March, 2025
a. Fair value of the assets at the end of prior period	11,423.38	10,829.51
b. Interest Income on plan assets	873.57	881.97
c. Employer Contributions	622.93	519.92
d. Employee Contributions	846.96	703.05
e. Actuarial (Gain) / Loss	73.59	(10.21)
e. Benefits paid	(1,043.94)	(1,500.87)
f. Fair Value of assets at the end of current period	12,796.49	11,423.38

6. Significant actuarial assumptions for the determination of the defined obligation are discount rate and EPFO Interest Rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ Lakhs)

Effect of a 1% change in Discount Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66
Decrease		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66

(Amount in ₹ Lakhs)

Effect of a 1% change in EPFO Interest Rate	31 st March, 2026	31 st March, 2025
Increase		
(i) aggregate current service and interest cost	1,163.10	1,077.80
(ii) closing balance of obligation	13,890.73	12,398.46
Decrease		
(i) aggregate current service and interest cost	-	-
(ii) closing balance of obligation	12,727.63	11,320.66

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 68.86 Lakhs (Previous Year - ₹ 102.72 Lakhs) determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the remeasurement loss /gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Company.

As per the provisions of Employee's Provident Funds Scheme 1952, the employer shall be liable to make good the loss to the Trust in the event of any loss to the Trust. Keeping in view the above, a cumulative provision of ₹ 85.96 Lakhs (Previous Year - ₹ 12.96 lakh) has been recognized in the Statement of Profit and Loss, towards such loss to the trust.

36. Expenditure incurred on Corporate Social Responsibility Activities

- The minimum Gross amount required to be spent by the company during the year is ₹ 696.00 Lakhs (Previous Year - ₹ 479.00 Lakhs).
- In accordance to section 135 of Companies Act 2013, the company has incurred ₹ 734.64 Lakhs (Previous Year - ₹ 480.81 Lakhs), as CSR expenditure.

(Amount in ₹ Lakhs)

Particulars	31 st March, 2026	31 st March, 2025
Purchase of Medical Equipments	425.66	399.94
Mobile Medical Vans	-	61.87
Educational Infrastructure & Support	93.05	-
Environment / Sustainable Development (Solar Lights)	39.27	-
Nutrition (Mid-day Meal Scheme)	30.00	-
PM CARES Fund	146.66	19.00
Total	734.64	480.81

- There is no related party transaction involved in CSR expenditure.
- Above figures are disclosed separately in note no 27(aa).

- Balances of Trade Receivables, Trade Payables and Advances includes balances subject to confirmation/ reconciliation and consequential adjustment, if any. Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made.
- The Company did not have any unrecorded transactions in the Books of Accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company has not traded or involved in Crypto or Virtual currency during the year.
- The 50:50 JV company (MSTC Mahindra Recycling Private Limited) has made capital expenditure of ₹ 785.59 Lakhs (Previous Year ₹ 435.18 Lakhs)
- The Board of Directors of the Company adopted the Financial Statements in 338th Board Meeting held on 29th May 2026.
- The Board of Directors of the Company in its 338th Board Meeting held on 29th May 2026. has proposed a final dividend of ₹ 8.10 per share in respect of year ending 31st March 2026, @ 81% on equity share capital which is ₹ 7,040.00 Lakhs as on date. The payment of Dividend is subject to approval of shareholders at Annual General Meeting. If approved it will result in a cash outflow of ₹ 5,702.40 Lakhs.
- The figures for the corresponding previous years have been regrouped/ reclassified wherever necessary to make them comparable.

In terms of our report of even date

For and on behalf of the Board of Directors

For S. Guha & Associates
Chartered Accountants
FRN : 322493E

Sd/-
(CA Sourabh Mitra)
Partner
M. No : 308743

Place : New Delhi
Dated : May 29, 2026

Sd/-
(Manobendra Ghoshal)
Chairman and Managing Director
(DIN-09762368)

Sd/-
(S K Barnwai)
General Manager
(Finance & Accounts)

Sd/-
(Subrata Sarkar)
Director Finance & CFO
(DIN-08290021)

Sd/-
(Ajay Kumar Rai)
Company Secretary
M. No. : F5627

Additional Information, as applicable to the Companies as per Schedule - III
(Amount in ₹ Lakhs)

Name of the entity in the Group	Net Assets i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
MSTC Limited	98.69	89,205.40	102.15	22,312.87	97.58	57.77	102.14	22,370.64
Joint Venture								
Mahindra MSTC Recycling Pvt Ltd	1.31	1,188.11	(2.15)	(469.55)	2.42	1.43	(2.14)	(468.12)
Total	100%	90,393.51	100%	21,843.32	100%	59.20	100%	21,902.52



CIN : L27320WB1964GOI026211

1. **REGISTERED OFFICE, KOLKATA**, Plot No. CF-18/2, Street No. 175, Action Area 1C, New Town, **Kolkata** - 700156 **Tel :** (033) 3501-3200 / 3202/3203, (033) 23400000/23400011/23400012/23400013 **E-mail :** mstcindia@mstcindia.in **GSTIN :** 19AACCM0021E1Z4
2. **CORPORATE OFFICE, NEW DELHI**, J-500, Tower J, Fifth Floor, World Trade Centre, Nauroji Nagar, **New Delhi** - 110029 **Tel:** (011) 6526-3000 **E-mail :** mstcindia@mstcindia.in **GSTIN :** 07AACCM0021E3Z7
3. **NORTHERN REGIONAL OFFICE, NEW DELHI**, J-500, Tower J, Fifth Floor, World Trade Centre, Nauroji Nagar, **New Delhi** - 110029 **Tel :** (011)-65263000 **E-mail :** mstcnro@mstcindia.in **GSTIN :** 07AACCM0021E1Z9
4. **WESTERN REGIONAL OFFICE, MUMBAI**, 607-608 Raheja Centre, Nariman Point, **Mumbai** - 400021 **Tel :** (022) 2288 6261 / 2288 5924 **E-mail:** mstcwro@mstcindia.in **GSTIN :** 27AACCM0021E1Z7
5. **SOUTHERN REGIONAL OFFICE, CHENNAI**, ISPAT Bhavan, 3rd Floor, No.5, Kodambakkam High Road, **Chennai** - 600034 **Tel:** (044) 28285000, **E-mail:** mstcsro@mstcindia.in **GSTIN :** 33AACCM0021E1ZE
6. **EASTERN REGIONAL OFFICE, KOLKATA**, Plot No. CF-18/2, Street No. 175, Action Area 1C, New Town, **Kolkata** - 700156 **Tel:** (033) 23400000/23400008 **E-mail :** mstcero@mstcindia.in **GSTIN :** 19AACCM0021E2Z3
7. **KARNATAKA REGIONAL OFFICE**, 19/5 & 19/6, 3rd Floor, Kareem Tower, Cunningham Road, **Bangalore** - 560052 **Tel :** (080) 22256367, 22260054, 22266417 **E-mail:** mstcblr@mstcindia.in **GSTIN :** 29AACCM0021E1Z3
8. **ANDHRA PRADESH BRANCH OFFICE**, 4th Floor "Jeevan Samridhi", D No 42-1-45/1/1, New Investment Building, Thikkana Road, Vishakapatnam, **Andhra Pradesh** - 530004 **Tel :** (0891) 274 6948, 270 1066 **E-mail:** mstcvzg@mstcindia.in **GSTIN:** 37AACCM0021E1Z6
9. **GUJARAT REGIONAL OFFICE**, 21, Kamalanjali Apartment, 2nd Floor, Opp. Tube Company, Old Padra Road, Akota, **Vadodara** - 390020 **Tel:** (0265) 2960354 / 2960379 / 2960385 **E-mail :** mstcvda@mstcindia.in **GSTIN :** 24AACCM0021E1ZD
10. **MADHYA PRADESH BRANCH OFFICE**, South Wing, 1st Floor, Jeevan Shikha, LIC Zonal Office, 60-B, Hoshangabad Road, Arera Hills, **Bhopal** - 462011 **Tel :** (0755) 2593772, 2593775, 2593776, 2552241 / 2570664 **E-mail :** mstcbpl@mstcindia.in **GSTIN :** 23AACCM0021E1ZF
11. **TELANGANA REGIONAL OFFICE**, No 5-9-13, 7th Floor, Taramandal Complex, Saifabad, between Sahara Manzil and Samrat Complex, Hyderabad, **Telangana** - 500004. **Tel:** (040) 23301039 **E-mail:** mstchyd@mstcindia.in **GSTIN :** 36AACCM0021E1Z8
12. **UTTAR PRADESH REGIONAL OFFICE**, Ground Floor, CWC Regional Office Complex, Vibhuti Khand, Gomti Nagar, **Lucknow** - 226010, (UP) **Tel:** (0522) 2236396, 4244702, 4240445 **E-mail:** mstclko@mstcindia.in **GSTIN :** 09AACCM0021E1Z5
13. **ODISHA REGIONAL OFFICE**, 2nd Floor, IPICOL House-Annexe Building, **Bhubaneswar** - 751022, Odisha **Tel :** (0674)- 2950091/ 2544199/ 3511215 **E-mail:** mstcbbr@mstcindia.in / bmbbrmstc@mstcindia.in **GSTIN :** 21AACCM0021E1ZJ
14. **KERALA BRANCH OFFICE**, 1st Floor, BSNL CTO Building, Opp Kerala State Secretariat, Mahathma Gandhi Rd, Statue, Thiruvananthapuram - 695001 **Tel:** (0471) 2326686 **E-mail:** mstctvc@mstcindia.in **GSTIN :** 32AACCM0021E1ZG
15. **CHHATTISGARH BRANCH OFFICE**, Hall No 6 & 7, 3rd floor, Udyog Bhawan, Telibandha, Ring Road 1, **Raipur** - 492006 **Tel:** (0771) 2432481 **E-mail:** mstcrpr@mstcindia.in **GSTIN :** 22AACCM0021E1ZH
16. **RAJASTHAN REGIONAL OFFICE**, Room No. 114, First Floor, BSNL Building, Lal Kothi, Behind Nagar Nigam, **Jaipur** - 302015 **Tel:** (0141) 2742208 **E-mail :** mstcjpr@mstcindia.in **GSTIN :** 08AACCM0021E1Z7
17. **JHARKHAND BRANCH OFFICE**, 4, RI-III, CMPDI CAMPUS Exploration Building, CMPDI Road, CMPDI Campus, Gandhi Nagar, **Ranchi**, Jharkhand - 834008 **Tel:** (0651) 2231333 **E-mail :** mstcrnc@mstcindia.in **GSTIN :** 20AACCM0021E1ZL
18. **NORTH EAST BRANCH OFFICE**, BSNL Exchange Building, Beltola Basistha Road, Wireless, **Guwahati, Assam** - 781038 **Tel:** (0361) 2221199 **E-mail:** mstcghy@mstcindia.in **GSTIN :** 18AACCM0021E1Z6
19. **CHANDIGARH REGIONAL OFFICE**, Telephone Exchange Building, 2nd Floor, Sector-5, **Panchkula** - 134109 **Tel :** (0172) 2584921 **E-mail:** mstccdgmstcindia.in **GSTIN :** 06AACCM0021E1ZB
20. **BIHAR BRANCH OFFICE**, 3rd Floor, DCM cum MRT Building SBPDCL, Road No-01, D P Rai Path, Near R Block, **Patna**, Bihar - 800001 **Tel:** (0612) 2506169 **E-mail:** bmpatna@mstcindia.in **GSTIN :** 10AACCM0021E2ZL
21. **NAGPUR OFFICE**, N.S. Building, East Wing, 1st Floor, Civil Lines, **Nagpur** - 440001, Maharashtra **Tel :** (0712) 2550075 **E-mail:** ngropln1@mstcindia.in



एम एस टी सी लिमिटेड
भारत सरकार का उपक्रम
MSTC Limited
A Government of India Enterprise

CIN: L27320WB1964GOI026211