

Date: 20th July, 2024

<p>To, The Manager, Listing & Compliance, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</p> <p><u>Ref: Scrip Code - 540393</u></p>	<p>To, Listing Department, National Stock Exchange of India Limited, C-1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051</p> <p><u>Ref: Scrip Symbol - SMLT</u></p>
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Subject: Annual General Meeting Notice, Integrated Annual Report 2023-24.

Dear Sir/Madam,

The twenty-ninth Annual General Meeting ("AGM") of the Company will be held on Tuesday, August 20, 2024 at 12:00 p.m. at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company along with the Notice of AGM for the financial year 2023-24 which is being sent to the Members, who have registered their e-mail addresses with the Company / Depositories, through electronic mode.

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

Kindly take the same on your record.

Yours' Faithfully,

For, **Sarthak Metals Limited**

Pratik Jain
Company Secretary and Compliance Officer

Encl. as above.



Resilience in Motion



SARTHAK METALS LIMITED
ANNUAL REPORT 2023-24

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SML stands at the forefront of India's metallurgical solutions industry

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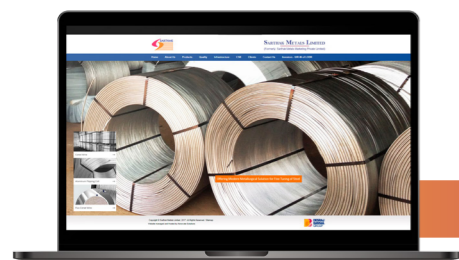
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We are actively exploring new frontiers to broaden our product portfolio and our expansion into FCW is a step in that direction

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sarthakmetals.com

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Adapting to the situation at hand, we looked beyond traditional steel industry applications and ventured into newer segments like foundries

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Strategic Growth Priorities

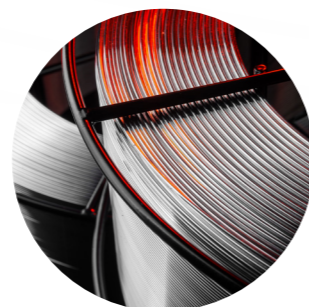
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Resilience in Motion

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In the face of adversity, true strength is revealed not just in withstanding pressure, but in adapting and growing stronger. We embody this spirit of resilience, looking beyond challenges, onto opportunities for progress.

The past year has been a test of our adaptability. Despite a challenging external environment marked by poor demand outlook in the steel industry, including increased competition from Chinese imports for the India steel industry, and subdued product realisations, Sarthak Metals has stood firm, demonstrating remarkable resilience.

While the steel sector, the backbone of our core business, faced headwinds, we refused to be deterred from our long-term strategic path. Instead, we viewed these challenges as catalysts for innovation and diversification beyond our core business. Our continued efforts and investment in promising opportunities, such as Flux Cored Wires, aligns perfectly with the vision of Atmanirbhar Bharat and India's robust focus on infrastructure development.

Moreover, we have seized this period of uncertainty to fortify our business model. By broadening our customer base and expanding into new industry segments within our existing core business, we are not just surviving – we are evolving. Our growing focus on the Foundries domain, looking beyond traditional steel industry applications, is a prime example of our adaptive strategy.

For Sarthak Metals, resilience isn't just about enduring; it's about emerging stronger. As we navigate through these turbulent times, we remain committed to creating value for our stakeholders, contributing to national self-reliance, and positioning ourselves for sustainable growth in the years to come.

Join us as we continue our journey of resilience, turning challenges into stepping stones for a better future.

Safe Harbour Statement

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

INTRODUCTION TO SARTHAK METALS

Pioneering Precision in Steel Metallurgy

Sarthak Metals Limited (SML), a proud member of the esteemed Desraj Bansal Group (DB Group), stands at the forefront of India's metallurgical solutions industry. As one of the nation's leading suppliers of modern metallurgical solutions for fine-tuning steel, Sarthak Metals has established itself as a hallmark of innovation and quality in the sector.



Our primary focus lies in the manufacturing and export of Cored Wires and Aluminium Flipping Coils, essential consumables in the field of modern metallurgy. Cored wires, in particular, represent a ground-breaking advancement in metallurgical technology. This wire injection technology offers a superior alternative to traditional single-shot lump addition method for refining steel, enabling precise control and optimization of steel properties.

Our state-of-the-art ISO 9001-2000 certified manufacturing facility embodies our commitment to excellence. We are strategically located near a prominent steel hub in Chhattisgarh. This prime location not only ensures efficient logistics but also fosters close relationships with key industry players. Our extensive range of products and solutions is tailored to meet the unique requirements of the entire steel industry, from large-scale producers to specialised foundries.

Additionally, as part of our approach to providing a holistic solution to our clients, we also supply wire injection systems designed to inject cored wires into molten steel for metallurgical process control. We offer a wide range of customised machines depending on the clients' requirements.

Commitment to Uncompromising Quality

At Sarthak Metals, quality is not just a goal – it's our foundation. We understand that for our customers, the cost of product failure can be significant. That's why we adhere to the highest quality standards, ensuring optimal results for our clients.

Our commitment to quality is reflected in our rigorous testing and inspection processes. These include:

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

This relentless pursuit of excellence has earned us the coveted status of being the preferred supplier for major steel companies throughout India. Encouraged by our domestic success, we have set our sights on the global stage, extending our reach to international markets and serving customers around the world.

Beyond the steel industry, Sarthak Metals is also making significant inroads in the Foundry and Fabrication customer segments, diversifying our portfolio and expanding our market presence.

Our Vision

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

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

SML at a Glance

10,000 TPA

Cored Wires Production Capacity

15,000 TPA

Aluminium Flipping Coil Production Capacity

1,200 TPA

Flux Cored Wire Production Capacity

100+

Customers Served Till Date

435+

Committed Workforce

5

R&D Team Strength

Debt-free

Balance Sheet

10+ countries

Global Export Markets

EVOLUTION OF SARTHAK METALS

Commitment to Constant Evolution

Throughout its journey, Sarthak Metals has always been committed to constant evolution, staying ahead of industry trends, innovating to meet customer needs. Our journey has been a testament to innovation, perseverance, and strategic growth.



1995

Laying the Foundation

We began in 1995 with the establishment of an industrial gases unit, supplying oxygen and carbon dioxide to local industries in our vicinity, which set the stage for our future as a provider of essential metallurgy solutions.

2002

Pioneering Metallurgical Solutions

Recognizing the evolving needs of the steel industry, we forayed into cored wires by setting up our first in-house cored wire mill. This marked our entry into advanced metallurgical solutions.

2008

Expanding Our Horizons

The addition of aluminium flipping coils to our product portfolio in 2008 demonstrated our commitment to diversification and market responsiveness. It also strengthened our position as a comprehensive metallurgical solutions provider.

2018

Strengthening Our Core

Venturing into aluminium wire rod production in 2018 was a strategic move towards backward integration. This expansion gave us greater control over our supply chain and significantly boosted our capabilities in the flipping coils segment.

2017

A Public Leap Forward

Our successful initial public offering and listing on the BSE SME exchange in 2017 marked a pivotal moment in our growth story. It not only provided access to capital markets but also reflected investors' confidence in our vision and potential.

2012

Innovating for Efficiency

In our quest to offer holistic solutions, we began delivering cored wire injection systems in 2012. These systems streamlined production, improved the quality of output, and positioned Sarthak as a preferred supplier for all metallurgical solutions.

2021

Ascending to New Heights

We migrated from the SME Exchange to the BSE and NSE mainboard in November 2021 - a testament to our growth and market recognition. This transition opened doors to increased visibility & liquidity in the financial markets.

2022

Breaking Barriers

This year we achieved an unprecedented milestone - surpassing ₹ 450+ Crores in Revenue.

2023

Charting New Territories

In our latest strategic initiative, we have expanded into Flux Cored Wire, marking our first venture beyond metallurgy consumables into welding consumables catering to the fabrication and infrastructure sector. This venture is in line with the Government of India's Atma Nirbhar campaign and furthers the cause of import substitution from China.

ABOUT DESRAJ BANSAL GROUP

A Legacy of Excellence

Embracing a legacy of excellence and innovation, Sarthak Metals Limited (SML) stands proudly under the umbrella of the esteemed Desraj Bansal Group (DB Group). Under the unifying vision of DB Group, SML has established itself as a reputed player in the metallurgy consumables industry.



A Rich History and Diverse Portfolio

Originating from Bhilai, Chhattisgarh, the Desraj Bansal Group boasts a rich history spanning over 50 years. The group's journey began with the production of industrial oxygen and carbon dioxide, effectively meeting the growing metallurgical demands of the industries in its vicinity. Over the years, DB Group has cultivated a strong presence in 2 major sectors: Metallurgy and Energy, mainly through its 3 business entities.

Harnessing experience and embracing innovation, the group expanded its offerings to include advanced solutions like Ferro Titanium as part of its Ferro Alloy Division, Cored Wires, followed by the manufacturing of Aluminium Flipping Coils and Wire Feeder

Machines. Today, the DB Group operates 4 cutting-edge manufacturing facilities in Bhilai, Chhattisgarh, strategically positioned to deliver excellence.

Impeccable Reputation and Financial Strength

Over the years, DB Group has garnered an impeccable reputation in the metallurgy industry. The group has earned the trust and admiration of renowned players in India and abroad, solidifying its position among the leading business groups in its sector. With revenues exceeding ₹ 450 crores in FY24, the group's financial strength underscores its commitment to value creation.

Key Entities of DB Group

The DB Group comprises 3 significant entities, each playing a pivotal role in the group's operations and contributing to its success. These entities form the backbone of the DB Group's operations:



Sarthak Metals Limited

Recognized as India's leading provider of metallurgical cored wire and aluminium flipping coils, Sarthak Metals plays a vital role as DB Group's flagship company. Renowned for its exceptional metallurgical solutions, Sarthak Metals caters to the diverse needs of the industry. With its recent foray into Flux Cored Wires, Sarthak Metals is set up to expand its horizon further.

10,000 TPA

Cored Wires Production Capacity

15,000 TPA

Aluminium Flipping Coil Production Capacity

1,200 TPA

Flux Cored Wire Production Capacity



Bansal Brothers

As part of the DB Group's ferro alloys division, Bansal Brothers stands as a prominent arm with an impressive installed capacity base of 11,000 TPA. Located in Bhilai, this division was founded in 2007 and started producing Ferro Titanium from 2009, thus garnering over 15 years of experience in this domain. Bansal Brothers is an ISO 9001-2000 certified partnership firm

and is amongst the top specialty alloy manufacturing units in India, providing total alloying solutions for both ferrous and non-ferrous applications.

11,000 TPA

Ferro Alloys Capacity



Sarthak Energy Private Limited

As DB Group's energy arm, Sarthak Energy Private Limited focuses on renewable energy sources. With 2.4 MW of renewable energy assets situated in Bhilai, this entity demonstrates the group's commitment to sustainable energy generation. The power offtake from this entity is via its PPA with state government entities.

2.4 MW

Renewable Energy Generation Capacity

Commitment to Sustainability and Community

The Desraj Bansal Group is committed to providing a healthy and safe work environment across its campuses and project sites. The group actively engages in corporate social responsibility initiatives, focusing on education, healthcare, and environmental sustainability. By supporting local communities and promoting sustainable practices, DB Group continues to contribute positively to society.

The Desraj Bansal Group's commitment to innovation, quality, and sustainability has positioned it as a renowned name in the metallurgy and energy sectors.

PRODUCT PORTFOLIO

Modern Metallurgical Solutions

Sarthak Metals Limited is dedicated to being the leading and preferred supplier of modern metallurgical solutions essential for refining and fine-tuning steel manufacturing processes. With nearly 3 decades of industry experience and close collaborations with renowned players, we have honed our expertise in meeting the exact chemical composition and quality standards required for this industry. Our product portfolio revolves around four key categories: Cored Wire, Aluminium Flipping Coil, recently added Flux Cored Wire, and Wire Injection Systems.

Our original offerings, including Cored Wire and Aluminium Flipping Coil, are instrumental in fine-tuning steel production, introducing specific characteristics from deoxidizing to grain refining, and facilitating the manufacturing of various grades of steel. While the most recent addition to our product portfolio, Flux Cored Wires, marks our first venture beyond metallurgy into industrial welding applications for the fabrication and infrastructure sectors.

Key Product Categories

1 Cored Wires

Cored wires are continuous steel tubes filled with a variety of alloys with controlled chemical compositions. They serve as agents to add various qualities and characteristics when injected into molten metal, converting iron into steel or specialised steel. With utmost precision, cored wires excel in refining steel, adding alloys, and modulating inclusions. They induce deoxidation, desulphurization, and dephosphorization, ensuring uniform and homogeneous chemical harmony within the molten metal.

Cored wires are a more efficient and precise method compared to the traditional single-shot addition method. In the past, lumps of ferro alloys and minerals were roughly deposited into the steel ladle, leading to uneven settling before

melting and mixing into the molten metal. The advent of cored wires revolutionised this process by eliminating inconsistencies and ensuring uniformity and homogeneity, facilitating the seamless fusion of alloys within the ladle with unparalleled accuracy and efficiency.

Key Products: Calcium Silicide, Calcium Iron, Calcium Aluminium Iron, Calcium Solid Wire, Lead Cored Wire, Ferro Titanium, Carbon, Ferro Boron, Magnesium Ferrosilicon, Nitride Manganese, and Ferro Niobium

Application Industry: Steel, Stainless Steel, and Foundry Industry

2 Aluminium Flipping Coils

Renowned for its remarkable deoxidizing capabilities, aluminium is one of the best and most cost-effective options available for deoxidizing steel. These flipping coils play a crucial role in steel manufacturing and metallurgical processes. Acting as essential elements, these coils contribute to the production of specialised steel grades, serving as deoxidizers, grain refiners, nitride formers, and alloying agents for both flats and structures.

The unique strength of aluminium lies in its ability to scavenge nitrogen and foster the formation of "pancake" ferrite grains, making it indispensable in the production of drawing quality steels for industrial applications such as automobiles. Additionally, aluminium enhances low-carbon steels by adding to their strength through the fixation of interstitial nitrogen. Compared to notch bars, ingots, and other forms, aluminium flipping coils are more cost-effective and efficient, emerging as the preferred choice in metallurgical applications.

3 Flux Cored Wires

The flux cored wire product segment is a recent addition to our portfolio. This type of welding process utilises a consumable electrode surrounded by flux, which melts during welding to create a protective shield for the joint. Flux cored wire offers advantages such as higher deposition rates, improved weld bead appearance, and the ability to weld thick materials. It also provides excellent mechanical properties, including high-strength welds and strong impact values.

This product category allows us to offer solutions and cater to diverse customer needs beyond the metallurgical industry, venturing

into applications in fabrication, infrastructure, and other sectors. Flux cored wires are suitable for welding on plain, carbon, alloy, stainless, and duplex steel.

Application Industry: Fabrication Workshops, Infrastructure Projects, Shipbuilding Industry, Construction Activities, Mechanical Industries, Hardfacing & Surfacing

4 Wire Injection Systems

Our Wire Injection Systems, or Feeder Machines, align with our objective of delivering comprehensive one-stop solutions to our esteemed clients. These advanced machines are meticulously designed to offer greater process control, ensuring the utmost precision and consistency for the injection of cored wires into steel ladles.

Our cored wire feeder machines precisely control the speed at which the cored wire coil uncoils within the molten steel. With a wide range of custom-designed options, including 2 and 4 strand configurations, our machines

handle wires ranging from 5 to 15 mm in diameter, achieving an impressive speed of up to 300 metres per minute.

As the Indian steel industry witnesses significant capacity additions, we have proactively embraced a go-to-market strategy, actively collaborating with clients to install our wire injection systems at their facilities. This strategic approach positions us as a comprehensive solution provider, enabling us to forge lasting partnerships and drive consistent and repeat business.

VENTURE INTO FLUX CORED WIRES

Expanding Our Horizons

We have always maintained our position as an innovator in the metallurgical solutions industry. While we take pride in our established presence in the steel sector, we recognize the importance of strategic expansion and diversification into other domains. Accordingly we are actively exploring new frontiers to broaden our product portfolio and our expansion into Flux Cored Wires is a step in that direction.

Rationale for Expansion

Our strategic decision to enter the flux cored wire market is driven by several compelling factors:

1 Diversification Beyond Metallurgy

This product category allows us to expand our applications beyond the steel industry, mitigating cyclicity risks associated with our core business.

2 Robust Demand Outlook

India's booming infrastructure investments present a strong demand trajectory for flux cored wires with applications across various sectors.

3 Leveraging Existing Expertise

Our experience with cored wire manufacturing provides a solid foundation, enabling a quicker learning curve and faster achievement of quality standards in flux cored wire.

4 Value-Added Proposition

Flux cored wires offer attractive profitability potential due to the specialised know-how required to deliver precise chemical compositions for optimal welding performance.



Product Overview

Flux cored wires represent a significant advancement in welding technology, particularly in Flux Core Arc Welding (FCAW). These consumable electrodes feature a unique design with a flux composition surrounding the core. During welding, the flux melts alongside the electrode, creating a protective shield over the joint.

Key benefits include:

- Higher deposition rates compared to solid wire or stick electrodes
- Aesthetically pleasing weld bead appearances
- Ability to weld thicker materials with precision
- Exceptional mechanical properties, including high-strength welds and impact resistance
- Customizable alloy compositions for tailored solutions
- Enhanced tolerance to dirt and mill scale, reducing pre-cleaning requirements

Applications

Flux cored wires find extensive use across various industries and applications:

		
Fabrication workshops	Hardfacing and surfacing	Construction activities
		
Shipbuilding industry	Mechanical industries	Automotive manufacturing
		
Structural engineering	Welding of plain, carbon, alloy, stainless, and duplex steel	

Demand Drivers

1 Increasing Demand for High-Speed Welding Solutions

Industries seeking improved productivity and reduced project timelines are adopting flux cored wires for their high deposition rates and faster welding speeds.

2 Advantages in Welding Complex Materials

The ability to weld thick and difficult-to-weld materials makes flux cored wires indispensable in shipbuilding, automotive manufacturing, and structural engineering.

3 India's Infrastructure Boom

The ongoing expansion of key sectors like oil and gas, power generation, and transportation is driving demand for reliable welding solutions.

4 Technological Advancements

Continuous innovations in flux formulations and alloy compositions are expanding the range of applications for flux cored wires.



Import Substitution Opportunity

Recognizing the current reliance on imports, primarily from China, Sarthak Metals is strategically positioned to capitalise on the domestic demand for flux cored wires:

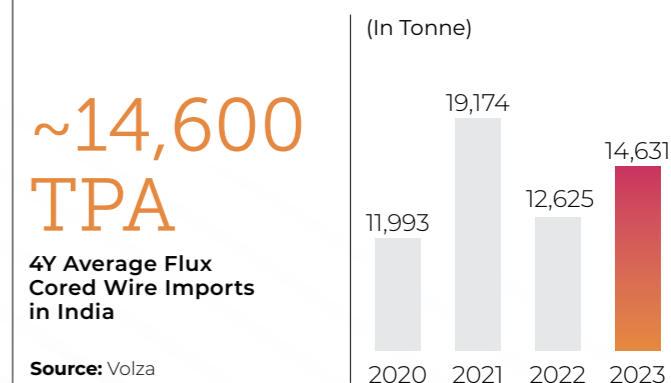
- We have already added one manufacturing line in FY24 and plan to add two more lines in FY25, expanding our capacity from 1,200 TPA to 3,600 TPA.

1,200 TPA → **3,600 TPA**
 Existing FCW Production Capacity FCW Production Capacity Post-Expansion

- This expansion aligns with the global 'China+1' strategy, offering an alternative manufacturing hub for flux cored wires.

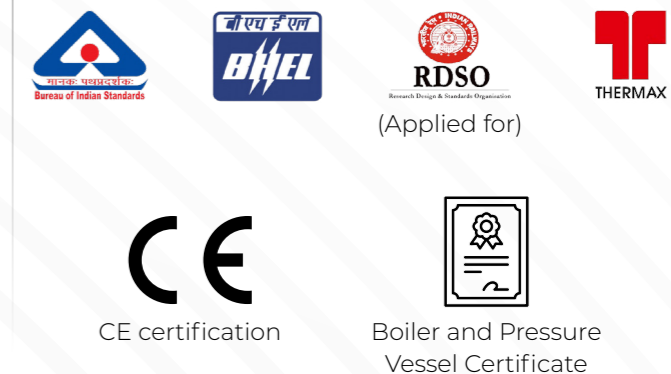


Indian Imports of Flux Cored Wire



- By leveraging our existing expertise in cored wire manufacturing and India's skilled workforce, we aim to establish a robust production ecosystem for high-quality flux cored wires.
- Our venture into this market supports India's industrial growth and self-reliance goals while positioning Sarthak Metals as a key player in the global arena.

Certifications & Vendor Approvals



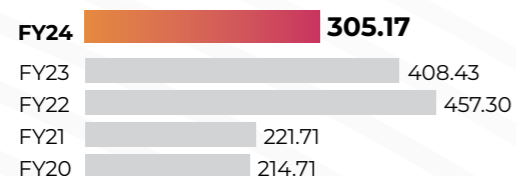
Through this strategic expansion into flux cored wires, Sarthak Metals is not only addressing immediate market needs but also demonstrating our commitment to innovation, diversification, and supporting India's manufacturing potential.

KEY PERFORMANCE INDICATORS

Resilience in a Challenging Year

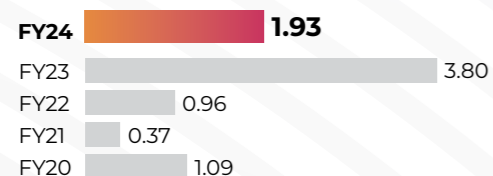
Revenue from Operations

(In ₹ Crores)



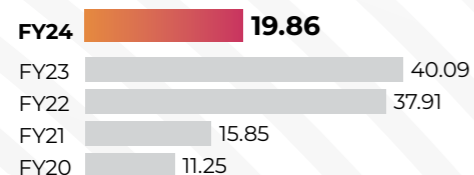
Other Income

(In ₹ Crores)



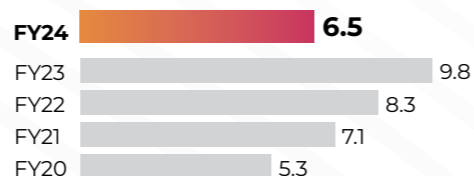
Operating Profit

(In ₹ Crores)



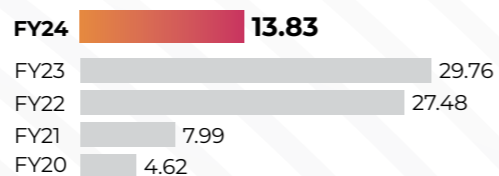
Operating Profit Margin

(In %)



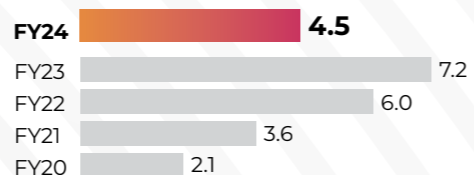
Profit After Taxes

(In ₹ Crores)



Profit After Taxes Margin

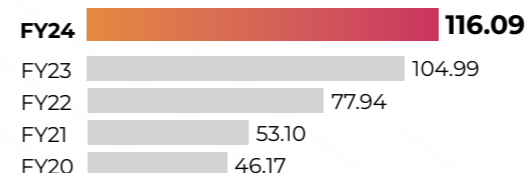
(In %)



Note: Operating Profits and Operating Profits Margins is adjusted for Other Income i.e. EBITDA less Other Income

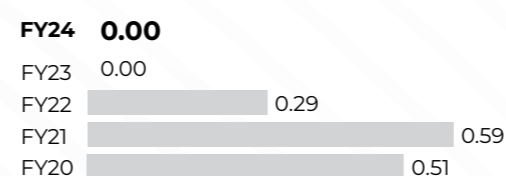
Equity

(In ₹ Crores)



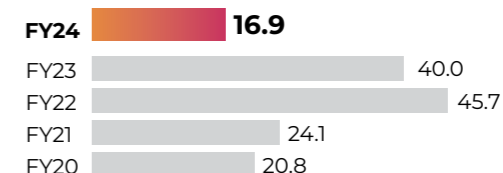
Total Debt to Equity

(In Times)



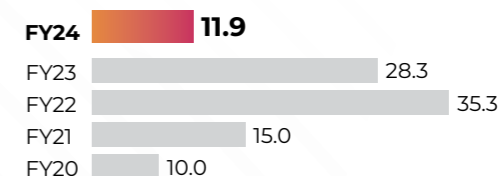
ROCE

(In %)



ROE

(In %)



LONG STANDING CLIENT RELATIONSHIPS

Cultivating Lasting Client Relationships

Journey to Becoming a Preferred Supplier

Achieving the status of a preferred supplier for the leading players in the Indian steel industry has been a journey spanning decades. This accomplishment is a testament to delivering the highest quality products to an uncompromising clientele. Given the critical nature of our products in refining and fine-tuning steel output, the cost of failure is substantial, making quality the most crucial parameter for prospective and existing clients.

Domestic Clients

Export Clients

Commitment to Quality and Reliability

Over the years, we have earned the trust and respect of the industry, positioning ourselves as the preferred supplier to the top five steel giants in the country.

A significant testament to this trust is that ~85% of our business comes from repeat orders placed by our valued clients.

This loyalty underscores the strength of our relationships and the consistent quality of our offerings.

Ensuring On-Time Delivery

Beyond quality, our success is also attributed to our commitment to on-time delivery and our ability to fulfil orders promptly. To ensure this, we have invested in sufficient warehousing space for raw material security, enabling us to meet large orders as and when the need arises. These factors are pivotal in setting us apart from our peers and fostering long-term partnerships that go beyond mere transactions.

Direct Client Engagement

We engage directly with our product users, working closely with them to understand their unique requirements and challenges. Our deep understanding of the required chemical compositions for different product variants allows us to recommend the best solutions for their specific needs. This collaborative approach has been instrumental in building and maintaining strong client relationships.

Expanding Beyond Steel

In recent years, Sarthak Metals has also placed greater emphasis on effectively catering to the needs of the foundry industry, particularly the SG Iron Casting segment. The end-product applications of the SG Iron foundry industry span various sectors, including farm equipment and tractors, automobiles, railways, and defence. These value-added offerings align with our strategy to diversify our business and cater to applications beyond the steel industry.

40+
Client Relationships
Spanning Over 10 Years

20+
Client Relationships
Spanning 5-10 Years

~85%
Repeat Business From
Our Valued Clientele

100+
Customers Served
till Date

40
New Customers
Onboarded in FY24

Our long-standing client relationships are a cornerstone of our success, reflecting our dedication to quality, reliability, and customer satisfaction. As we continue to grow and diversify, we remain committed to nurturing these relationships and exploring new opportunities to serve our clients better.

MANUFACTURING PROWESS

Our Manufacturing Edge

Our manufacturing capabilities and infrastructure form the bedrock of our operations, enabling us to deliver high-quality products consistently and efficiently to our valued customers.



Strategic Location and Facilities

Our manufacturing facilities are strategically located in Bhilai, Chhattisgarh - a major steel hub in India. Operating through 2 state-of-the-art facilities, we cater to all our product verticals from this prime location. The proximity to many of our esteemed clients allows us to forge stronger partnerships and foster efficient collaboration.

Spanning a cumulative area of approximately 540,000 square feet, our facilities provide us with the necessary infrastructure to meet the diverse needs of our customers, with ample room for future expansion. These facilities are equipped with indigenously developed technology for manufacturing Cored Wires, Aluminium Flipping Coils, and our latest addition, Flux Cored Wires.

Cutting-Edge Technology and Significant Capacities

Our manufacturing units boast sophisticated machinery and cutting-edge testing equipment, ensuring precise manufacturing processes and stringent quality control. The production lines are tailored to our specific requirements, allowing us to maintain complete control over the entire manufacturing process.

Manufacturing Capacities

10,000 TPA

Cored Wires Production Capacity

4

Cored Wires Manufacturing Lines

15,000 TPA

Aluminium Flipping Coil Production Capacity

2

Aluminium Flipping Coil Manufacturing Lines

1,200 TPA

Flux Cored Wire Production Capacity

1

Flux Cored Wire Manufacturing Line

Capacity Expansion

In view of the robust initial market response for our recently added Flux Cored Wires division, Sarthak Metals is undertaking a significant capacity expansion project. This initiative involves setting up 2 additional manufacturing lines for Flux Cored Wires, supplementing the one line already operational and running at optimum utilisation levels. **This expansion will increase our cumulative capacity from 1,200 TPA to 3,600 TPA**, enabling us to meet growing market demand, import substitution opportunities, and solidify our position as a prominent supplier.

Quality Assurance and R&D

As an ISO 9001:2008 certified unit, we uphold the highest standards of quality and performance. Our on-site, fully-functional testing laboratory is equipped with an atomic absorption spectrophotometer for comprehensive testing and quality assurance of both raw materials and finished products.

Our dedicated R&D team works tirelessly on various projects, including the development of new value-added products and driving efficiency through process optimizations. This proactive approach allows us to enhance quality while reducing costs, positioning us as a leader in the industry.

Supply Chain Security and Warehousing

To ensure uninterrupted product availability and strengthen our position as the preferred supplier to leading Indian steel mills, we have established robust warehousing capabilities at our Bhilai facility.

Warehousing Space

1,500 Sq.Mt.

Cored Wires Warehousing Space

2,800 Sq.Mt.

Aluminium Flipping Coils Warehousing Space

1,000 Sq.Mt.

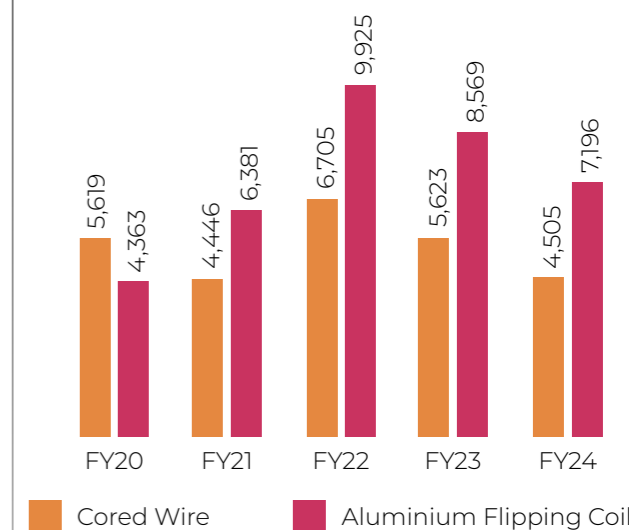
Flux Cored Wire Warehousing Space

Our state-of-the-art warehouse serves as the backbone of our operations, providing ample storage space for both raw materials and finished goods. This infrastructure ensures a seamless flow of products to our clients, meeting their requirements with precision and timeliness.

By continually investing in our manufacturing capabilities and infrastructure, Sarthak Metals remains committed to delivering excellence and maintaining our position as a trusted partner in the metallurgical industry.

Production Trends

(In Tonnes)



Sustainability Initiatives

Aligned with Sarthak Metals' organisational ethos of being mindful of our environmental impact, we have implemented several sustainability initiatives. One such initiative is the installation of a 400 KW solar power plant. This renewable energy source will not only help substitute a portion of our energy consumption but also result in approximately a 50% reduction in electricity expenses due to captive consumption.

Additionally, we have integrated the use of aluminium scrap in our operations, with our Aluminium Flipping Coil production utilising recycled aluminium scrap. Producing aluminium from scrap is significantly more energy-efficient, requiring only 5% of the energy needed to produce aluminium from ore. This shift towards recycling enhances our sustainability efforts and reduces our overall energy consumption.

LETTER TO SHAREHOLDERS

Resilience, Adaptation, and Strategic Vision



Our strong financial position has not only supported our expansion in the Flux Cored Wires segment but has also allowed us to explore new frontiers of growth.

Despite these headwinds, I am proud to report that Sarthak Metals has shown remarkable resilience. We have remained steadfast in our strategic priorities, continuing our thrust on expansion into new verticals such as Flux Cored Wires and other strategic projects. This focus on long-term value creation has been the cornerstone of our approach during these challenging times.

Year in Review

The year witnessed a fall in ferro alloy prices, which significantly impacted the realisations of our cored wires business. This was further exacerbated by heightened competition from new entrants in the industry. We also faced challenges on the export front, with some of our South American clients favouring local production, leading to a reduction in long-term export orders.

In response to these challenges, our strategy has been multifaceted. We have focused on maintaining our market share while strategically emphasising higher value-added products with better margin potential. We have been cautious about engaging in business where pricing competition was extremely high, prioritising the protection of our profitability profile.

Adapting to the situation at hand, we looked beyond traditional steel industry applications and ventured into newer segments like foundries. Our focus on products for SG Iron foundries, which produce castings for automobiles, tractors, farm equipment, railways, and defence, has allowed us to deliver higher value-add products. Our focus on this segment will continue to increase.

Dear Shareholders,

As we reflect on the past year, I am pleased to present to you the annual report of Sarthak Metals Limited for FY24. This year has been one of resilience and strategic consolidation for our Company, as we navigated through a challenging business environment while staying true to our long-term vision and values.

Resilience in a Challenging Environment

The year under review was marked by multiple external challenges that tested our mettle. The steel industry, which forms the backbone of our core business, faced a poor demand outlook, increased competition from Chinese imports and falling product realisations for our own products. These factors collectively led to a lower top line and subdued profitability for Sarthak Metals for the year under review. However, as we have demonstrated time and again, our Company's strength lies in its ability to weather storms and emerge stronger.

Our Aluminium Flipping Coil division also experienced a slowdown, with profitability impacted by continued supply chain disruptions and limited availability of scrap. The ban on aluminium scrap exports by some African countries has put pressure on global scrap availability, further challenging this segment.

While these factors contributed to an overall tepid performance in FY24, making it a year of consolidation, I believe it has also strengthened our resolve and sharpened our strategic focus.

Silver Linings

Amidst these challenges, I am pleased to report that our Flux Cored Wires division has been performing exceptionally well. Our initial dispatches have received a positive response from our customer base, with clients expressing satisfaction with the quality of our products. Sarthak Metals has successfully created a brand name for itself, boasting superior quality and service in this segment.

Our first manufacturing line is now running close to optimum capacity utilisation, a testament to the growing demand for our products. We have also made inroads into the carbon steel fabrication segment and are actively scouting for potential customers in different domains. Given India's infrastructure boom, this sector presents a very promising opportunity for our company.

In line with the growing demand and the significant import substitution opportunity, we are expanding our capacities in the Flux Cored Wires domain. By setting up 2 more manufacturing lines, we are tripling our total capacity from 1,200 TPA to 3,600 TPA, positioning ourselves to capture a larger market share in this growing segment.

Superior Balance Sheet Strength Offering Growth Opportunities

One of our key strengths that has emerged from the progress of recent years is our robust balance sheet. Sarthak Metals has built a strong financial foundation, maintaining a debt-free status for the last 2 years, with a net-cash surplus on our books. This financial flexibility, coupled with healthy cash accruals each year, offers us significant opportunities to pursue different projects and growth avenues.

Our strong financial position has not only supported our expansion in the Flux Cored Wires segment but has also allowed us to explore new frontiers. One such potential project is in the Biotechnology domain, specifically in Industrial Enzymes and Natural Proteins. We have developed a pilot facility in Nagpur, Maharashtra, for R&D in this domain and for rapid

technology adoption. Our collaboration with the Council of Scientific & Industrial Research (CSIR), LIT University, and Hislop College for technology transfer and continuous research and development in this area underscores our commitment to innovation and diversification.

Outlook

As we look to the future, we are cautiously optimistic about the prospects for our core businesses. We anticipate a more conducive environment in our cored wires and aluminium flipping coil business, with a better demand outlook from the steel industry, especially in light of its ongoing capacity expansion. Our strategic focus on value-added products and exploration of untapped markets in the foundry industry is expected to yield positive results.

We are particularly excited about the ramp-up in our Flux Cored Wires vertical, which we believe will prove to be an important frontier for the company's growth. As we march forward, our commitment to innovation, quality, and customer satisfaction will remain across all our businesses.

Our vision at Sarthak Metals is to evolve into a diversified solution provider, expanding our presence in dynamic industries. We are committed to long-term value creation for all our stakeholders, balancing growth with sustainability and responsible business practices.

In closing, I would like to express my heartfelt gratitude to all our stakeholders – our shareholders, employees, customers, partners, and the communities we serve – for their unwavering support and belief in Sarthak Metals. Your trust and confidence in our company have been the driving force behind our resilience and determination.

As we navigate through these challenging times, I am confident that our strategic focus, financial strength, and innovative spirit will propel Sarthak Metals to new heights. We remain committed to creating sustainable value and contributing to India's growth story.

Thank you for your continued support and trust in Sarthak Metals Limited.

Sincerely,

Anoop Kumar Bansal
Managing Director
Sarthak Metals Limited

STRATEGIC GROWTH PRIORITIES

Building for Tomorrow

In pursuit of sustainable growth and market leadership, Sarthak Metals has diligently defined its strategic roadmap for the coming years. Guided by a prudent and forward-thinking approach, the Company is poised to navigate the evolving business landscape, capitalise on emerging opportunities, and create a sustainable future for itself and its stakeholders.



Through these strategic growth drivers, Sarthak Metals is well-positioned to capitalise on emerging opportunities, strengthen its market position, and ensure sustainable long-term growth.

The company's focus on portfolio expansion, capacity building, export market development, and exploration of alternate applications demonstrates its commitment to adaptability and innovation in an ever-evolving business landscape.



Expanding Portfolio

1

Sarthak Metals is committed to diversifying its product range beyond its existing portfolio of metallurgical consumables. This strategic initiative aims to broaden the Company's market reach and enhance its competitive edge. Key aspects of portfolio expansion include:

- **Introduction of Flux Cored Wires:** This marks Sarthak Metals' first product category with applications beyond the Metallurgical & Steel Industry, offering both sector diversification and improved profitability.
- **Strengthening Existing Product Categories:** The Company is actively working on enhancing its product portfolio within established categories like Cored Wires, including products for other newer applications such as Foundries.



Strategically Building Capacities

2

To fuel its growth ambitions and meet increasing market demand, Sarthak Metals is focused on expanding its production capacities. This strategic approach ensures the company can maintain its competitive edge and respond effectively to market needs:

- **Recent Capacity Expansions:** In recent years, the company has increased capacities in Cored Wires and Aluminium Flipping Coils.
- **Current Focus:** The ongoing capacity expansion is centred on Flux Cored Wire production, aligning with the product's growing acceptance, increasing market share, and substantial market potential.



Strengthening Export Business

3

Sarthak Metals recognizes the importance of a robust international presence and is actively working to bolster its export business:

- **Gradual Market Expansion:** The company has been steadily building its presence in various export markets over the past few years. Leveraging its successful track record in international trade since 2014, Sarthak Metals aims to both enter new countries and deepen relationships in existing export markets.
- **Strategic Benefits:** This approach allows for revenue stream diversification, reduced dependency on a single market, and optimization of blended realisations.



Exploring Alternate Applications

4

To further expand its market reach, Sarthak Metals is actively exploring alternate applications for its existing products:

- **Diversifying Beyond Core Expertise:** While the company's primary focus remains on serving metallurgical industries, it recognizes untapped opportunities in other sectors. Products such as Aluminium Flipping Coils show promise for applications in diverse industries, such as electrical.
- **Innovation and Expansion:** By leveraging product versatility, Sarthak Metals aims to tap into new markets, broaden its customer base, and increase revenue potential while staying at the forefront of innovation.

BOARD OF DIRECTORS

Guided by Visionaries

Our Board of Directors is a distinguished group of individuals, each bringing a unique blend of backgrounds, experiences, and visionary perspectives. Their collective wisdom and strategic guidance are pivotal in steering our Company towards its goals. With unwavering commitment, our Board adeptly navigates the dynamic business environment while upholding the fundamental values that define our organisation.



Mr. Sunil Kumar Agarwal
Chairman & Non-Executive, Non-Independent Director

Mr. Sunil Kumar Agarwal, our Chairman, holds an honours degree in Mechanical Engineering. His extensive career includes significant roles at GCET Raipur and Indian Railways Traffic Services. With positions such as Divisional Railway Manager,

Chief Commercial Manager at SEC Railway, and an additional member of the Ministry of Railways, Mr. Agarwal brings a wealth of knowledge and experience that is instrumental in our strategic decision-making.



Mr. Anoop Kumar Bansal
Managing Director

As the Managing Director, Mr. Anoop Kumar Bansal brings a strategic vision and extensive experience to our Company. Holding a Bachelor's degree in Commerce from Nagpur, he has been key in shaping our strategic direction. His innovative commercial strategies and hands-on experience

have been crucial to our success. Mr. Bansal also oversees the DB Group's ferroalloys division and previously managed the industrial gases division, in addition to leading our CSR initiatives, demonstrating his dedication to responsible business practices.



Mr. Sanjay Shah
Whole-Time Director

Mr. Sanjay Shah, a vital part of our leadership team, leads our Marketing division. He has played a crucial role in establishing our domestic business and building strong relationships with major steel institutions across India.

His efforts have secured partnerships with the largest steel mills in the country, significantly contributing to our market position. Mr. Shah's strategic insights and expertise have been essential in driving our growth.



Mr. Mayur Bhatt
Whole-Time Director and CEO

As the Whole-Time Director and Chief Executive Officer, Mr. Mayur Bhatt bridges our production and sales functions. His exceptional management skills ensure the smooth operation of our daily business and

financial activities. Additionally, he oversees raw materials management, optimising our resources for maximum efficiency. Mr. Bhatt's contributions have significantly enhanced our overall performance and success.



Ms. Rama Kohli
Non-Executive, Independent Woman Director

Ms. Rama Kohli brings a wealth of knowledge and a diverse background to our Board. With a Bachelor's degree in Science and a PGDBM from Pt. Ravishankar Shukla University, she

offers valuable insights through her management advisory experience. Her deep industry understanding and strategic perspective enrich our Board's composition.



Mr. Sunil Dutt Bhatt
Non-Executive, Independent Director

Mr. Sunil Dutt Bhatt offers over 36 years of experience from his tenure in the Instrument and Weighing department at Bhilai Steel Plant, SAIL. Since joining our Board in 2021 after retiring in 2020,

he has provided invaluable expertise and insights into the steel industry, making him a significant asset to our Company.



Mr. Dwadasi Venkata Giri
Non-Executive Independent Director

Mr. Dwadasi Venkata Giri brings a deep understanding of banking and finance to our Board. With a Post Graduate degree in Commerce from Pt. Ravishankar Shukla University and

extensive legal and financial expertise, he offers valuable insights on financial management and decision-making. His presence strengthens our governance and enriches our strategic discussions.

Second Generation Leaders



Mr. Gaurav Agarwal

- Joined Sarthak Metals in 2013
- **Qualification:** Metallurgical Engineering from IIT Bombay
- **Roles & Responsibilities:** Deputy General Manager Export sales



Mr. Samarth Bansal

- Joined Sarthak Metals in 2017
- **Qualification:** Automobile Engineer
- **Roles & Responsibilities:** Production



Mr. Sagar Shah

- Joined Sarthak Metals in 2017
- **Qualification:** Civil Engineer
- **Roles & Responsibilities:** Marketing & Procurement



Mr. Sarthak Bansal

- Joined Sarthak Metals in 2019
- **Qualification:** Civil Engineer & Masters of Business Administration
- **Roles & Responsibilities:** Day-to-day Operations

Management Discussion and Analysis

Economic Overview

Indian Economy

The Indian economy has shown significant resilience and growth in the fiscal year 2023-24, driven by robust policy measures and strategic investments. India's GDP growth for the fiscal year 2023-24 has been robust, with the government targeting a growth rate of around 7.6% to 7.8%. The Union Budget 2023-24, proposed a total expenditure of ₹ 45.03 Lakh Crores, with a significant focus on capital expenditure, which saw a 37.4% increase from the revised estimates of 2022-23, amounting to ₹ 10.01 Lakh Crores. This increase is primarily driven by higher outlays on transport infrastructure and capital loans to states. The fiscal deficit for 2023-24 is targeted at 5.9% of GDP, a reduction from the revised fiscal deficit of 6.4% in 2022-23. The revenue deficit is also targeted to decrease to 2.9% of GDP from 4.1% in the previous fiscal year.

The Indian economy is poised to maintain its robust growth trajectory, with projections indicating a growth rate of around 7% for the current fiscal year 2023-24 (FY24) and a similar pace in the following fiscal year 2024-25 (FY25). This remarkable achievement of sustaining a growth rate at or above 7% for four consecutive years post-pandemic underscores the resilience and immense potential of the Indian economy, auguring well for its future prospects.

Achieving a 7% growth rate in the current global environment, where the world economy is grappling with challenges, is qualitatively superior to attaining higher growth rates when the global economic conditions are more favourable. The global economy is currently navigating through multiple shocks in the post-COVID era, including renewed supply chain disruptions in 2024, which have impacted trade flows, transportation costs, economic output, and inflation worldwide. While India is not immune to these global disturbances, its experience in managing the COVID-19 pandemic and the energy and commodity price shocks of 2022 has provided a solid foundation for confidence in weathering emerging challenges.

The Indian economy is poised to maintain its robust growth trajectory of 7%

Three key trends are expected to shape the Indian economy in the coming years. Firstly, the era of hyper-globalisation in global manufacturing is drawing to a close, leading to an increased emphasis on onshoring and friend-shoring of production. This shift will impact transportation and logistics costs, consequently affecting the final prices of products. Secondly, the advent of Artificial Intelligence (AI) presents both opportunities and challenges. AI raises profound questions for growth in services trade and employment, as it could erode the cost competitiveness that countries exporting digital services currently enjoy. Thirdly, and arguably the most crucial, the global focus on reducing carbon

emissions amidst rising temperatures has led to persistent demands for developing nations to transition from fossil fuels to greener energy sources. While there is a trade-off between economic growth and energy transition in the short term, India has managed this balance more adeptly than many other nations.

In conclusion, despite global economic headwinds, India's economy continues to exhibit strength and adaptability. The country's strategic focus on infrastructure development, fiscal management, and navigating global trends positions it favourably for sustained growth and development in the coming years.

Industry Overview

India steel industry

Overview

In 2024, the Indian steel industry continues to be a bright spot in the global steel sector, demonstrating resilience and growth amidst challenging global economic conditions. According to the latest Short Range Outlook of the World Steel Association, India's steel demand is expected to show a healthy growth of 8.2% in 2024, significantly outpacing the global growth rate of 1.7%. This robust performance is driven by several factors, including government spending on infrastructure, recovery in private investment, and healthy growth momentum in the automotive sector.

Production and Consumption Trends

India has solidified its position as the 2nd largest producer of crude steel globally. In the January-March 2024 period, India produced 37.33 million tonnes (MT) of crude steel, showing a YoY growth of 9.7%. This impressive growth rate is particularly noteworthy when compared to the global crude steel production, which stood at 469.06 MT for the same period, registering a modest growth of 0.5% YoY. India's share in global crude steel production during this period was 8%, highlighting its growing importance in the global steel landscape.

The country's steel consumption has also shown robust growth. Total finished steel consumption in India reached 136.25 MT during 2023-24, marking a significant increase of 13.6% compared to the previous year. This growth in consumption is broad-based, with both flat and non-flat steel products showing strong demand. Non-flat products, which include items like bars and rods, accounted for 55% of consumption and grew by 14.1%, while flat steel products, used in industries like automotive and white goods, made up 45% of consumption and grew by 13.1%.

Total finished steel consumption in India reached 136.25 MT during 2023-24, marking a significant increase of 13.6%

Production Dynamics

The Indian steel industry's production capabilities have shown remarkable improvement. Crude steel production reached 144.04 MT in 2023-24, up by 13.2% compared to the previous year. This growth was supported by increases in hot metal production (87.02 MT, up 7.2%), pig iron production (7.32 MT, up 24.8%), and sponge iron production (51.50 MT, up 18.1%).

In terms of finished steel, production stood at 138.83 MT, showing a growth of 12.7%. The non-alloy steel segment dominated production, accounting for 93% of the total and growing by 14.0%. Within this segment, bars and rods were the major contributors in the non-flat category, while hot rolled coil (HRC) led growth in the flat segment.

Trade Dynamics

India's position in the global steel trade has seen some shifts in 2024. Exports of finished steel products reached 7.49 MT, showing an increase of 11.5%. Hot rolled coil/strip was the most exported item, accounting for 39% of total finished steel exports. Italy emerged as the largest export market for Indian steel.

On the import front, India became a net importer of finished steel in 2023-24, with imports reaching 8.32 MT, a significant increase of 38.2%. This shift was primarily due to the initial price disparity between domestic and import prices, which has since been corrected. China remained the largest source of steel imports for India, accounting for 32% of the total.

Market Dynamics and Pricing Trends

The Indian steel market has shown resilience in pricing, although there have been some fluctuations. While global steel prices were on a declining trend in April 2024, the Indian market saw some products, particularly in the long products category, showing a sharp uptick month-on-month. However, on a YoY basis, prices in April 2024 were generally below the levels achieved in April 2023, reflecting global trends.

The pricing dynamics are influenced by various factors, including raw material costs, global economic conditions, and domestic demand. The rise in prices of key raw materials like iron ore and coking coal in recent months is expected to play a significant role in steel price movements going forward.

Sectoral Drivers of Demand

The robust performance of the Indian steel industry in 2024 is underpinned by strong demand from key sectors:

- 1. Infrastructure:** Government spending on infrastructure, which accounts for 25-30% of steel demand, is expected to increase by 11% YoY in 2024-25. This continued focus on infrastructure development is a key driver for steel demand.
- 2. Construction:** The recovery in private investment and the ongoing push for affordable housing are contributing to increased steel demand in the construction sector.
- 3. Automotive:** The automotive sector has shown healthy growth momentum, driving demand for both flat and long steel products.
- 4. Manufacturing:** The government's push for domestic manufacturing through initiatives like "Make in India" and the Production Linked Incentive (PLI) scheme is expected to boost steel demand in various manufacturing sectors.





Challenges and Outlook

Despite the overall positive performance, the Indian steel industry faces some challenges. The global economic uncertainties, including the slowdown in China's construction sector and the subdued outlook for the European steel market, could impact export opportunities. Additionally, the rising costs of raw materials and energy pose challenges to maintaining profit margins.

However, the outlook for the Indian steel industry remains positive. The World Steel Association forecasts that India will continue to be a major driver of global steel demand growth, with an expected 8.2% rise in steel demand in both 2024 and 2025. This growth is supported by the country's strong economic fundamentals, ongoing urbanisation, and the government's focus on infrastructure development.

Conclusion

The Indian steel industry's performance in 2024 demonstrates its resilience and growth potential. With strong domestic demand, improving production capabilities, and a supportive policy environment, India is well-positioned to play an increasingly important role in the global steel landscape. As the industry navigates challenges such as raw material costs and global market uncertainties, its focus on meeting growing domestic demand while enhancing its global competitiveness will be crucial for sustained success in the coming years. The industry's ability to balance growth with sustainability and technological advancements will be key factors in shaping its long-term trajectory in the global steel market.

Company Overview

Sarthak Metals Limited, the flagship entity within the prestigious Desraj Bansal Group, stands as India's

leading manufacturer and exporter of Cored Wires, Aluminium Flipping Coils, and the newly introduced product category of Flux Cored Wires. The Company is renowned for its focus on precision metallurgy, enhancing steel manufacturing processes, and providing advanced industrial welding consumables.

Headquartered in Bhilai, Chhattisgarh, Sarthak Metals benefits from its strategic location near a major steel production hub, facilitating seamless collaboration and fostering strong industry partnerships. The Company's commitment to excellence is evident in its state-of-the-art manufacturing facilities, which are ISO 9001-2000 certified. These facilities leverage the latest technological advancements to ensure rigorous testing and inspection, consistently delivering superior quality products.

Sarthak Metals has earned a reputation as the preferred supplier to some of India's largest steel manufacturers, thanks to its focus on quality and manufacturing expertise. The Company is now extending its success in the steel industry to the fabrication and industrial welding sectors.

Recognizing the importance of diversification, Sarthak Metals has expanded its product portfolio to strengthen its core capabilities. In addition to its well-known Cored Wires and Aluminium Flipping Coils, the Company also offers Cored Wire Feeder Systems and has recently ventured into the production of Flux Cored Wires. This strategic diversification not only broadens revenue streams but also enhances the Company's market presence beyond the metallurgical industry.

By pursuing these prudent diversification strategies, Sarthak Metals is well-positioned to capitalise on emerging market trends and establish a strong foothold in multiple industries, driving sustained growth and reinforcing its market leadership.

Key Financial Ratios

Particulars	FY23	FY24	% Change	Explanation for more than 25% change
Current Ratio	23.73	39.92	68.24%	Due to decline in statutory liabilities along with increase in inventory and cash reserve
Debt – Equity Ratio	0.00	0.00	0.00%	
Debt Service Coverage Ratio	31.02	25.23	-18.67%	
Return on Equity (ROE)	32.54%	12.51%	-61.56%	Due to decline in Net Profit & increase in COGS
Inventory Turnover (Days)	19.07	20.68	8.43%	
Trade Receivables Turnover Ratio (Days)	49.11	55.50	13.00%	
Trade Payables Turnover Ratio (Days)	5.87	0.45	-92.40%	Due to reduction in current liabilities
Net Profit Ratio	7.29%	4.53%	-37.82%	Due to decline in Net Profit & increase in COGS
Net Capital Turnover Ratio (Days)	69.21	115.61	67.04%	Decline in export sales
Return on Capital Employed (ROCE)	39.55%	16.98%	57.06%	Due to decline in Net Profit & increase in COGS
Return on Investment (ROI)	28.35%	11.91%	57.98%	Due to decline in Net Profit & increase in COGS

Segment-Wise Performance







The Company has only one reportable business segment viz. "Cored Wires".

Outlook

In the face of industry headwinds affecting our core business of Cored Wires and Aluminium Flipping Coils, Sarthak Metals has demonstrated resilience by maintaining its market position despite challenges in demand from the steel industry, subdued product realisations, and price-sensitive competition. We have strategically chosen to focus on higher value-add products and selectively engage in price competition, safeguarding our profitability in this challenging environment. Our venture into new

product categories, particularly Flux Cored Wires, has shown promising results, with strong market acceptance for our product quality. Encouraged by this positive initial response, we are expanding our production capacity to capitalise on the growing demand in this segment. Looking ahead, our outlook remains cautiously optimistic. While we acknowledge the ongoing challenges in our core business, we are buoyed by the positive reception of our new product offerings. Furthermore, our strong balance sheet and healthy cash reserves provide a solid foundation for navigating future uncertainties and pursuing growth opportunities. Sarthak Metals is well-positioned to adapt to evolving market conditions and leverage emerging prospects in the coming year.

Risks & Concerns

Risk	Impact	Mitigation Strategies
 <p>Safety risk</p>	Maintaining the highest safety standards at production facilities is critical. Strict adherence to workplace and process safety regulations is essential. Any safety violations could damage the company's reputation and disrupt operations.	<ul style="list-style-type: none"> • Implement comprehensive safety protocols and training initiatives • Conduct regular safety audits and risk assessments • Cultivate a company-wide culture of safety awareness and responsibility
 <p>Regulatory risk</p>	The Company faces potential risks from shifts in trade policies, including the removal of favourable regulations like minimum import prices or anti-dumping measures. Such changes could significantly impact profitability.	<ul style="list-style-type: none"> • Monitor regulatory developments closely and adapt proactively • Expand market presence to reduce reliance on specific regions or policies • Collaborate with industry groups to advocate for beneficial trade measures
 <p>Supply chain risk</p>	The Company's supply network is vulnerable to various disruptions, including environmental challenges, trade barriers, geopolitical issues, and dependence on key suppliers. Any major supply chain disruptions could severely impact operations.	<ul style="list-style-type: none"> • Develop alternative sourcing strategies and diversify supplier relationships • Improve supply chain visibility and create robust contingency plans • Enhance communication and coordination with supply chain partners
 <p>Credit risk</p>	Sarthak Metals faces inherent credit risk from counterparties potentially defaulting on financial obligations. While credit risk management is ongoing, significant bad debts could adversely affect financial health.	<ul style="list-style-type: none"> • Perform rigorous credit evaluations of counterparties • Maintain a diverse customer base to spread risk • Establish clear payment terms and closely monitor receivables
 <p>Commodity fluctuation risk</p>	The company's performance is closely tied to steel industry trends and pricing environment of ferro alloys. Significant shifts in supply and demand, both domestically and globally, can impact operations. Commodity price fluctuations pose a key challenge.	<ul style="list-style-type: none"> • Continuously analyse market trends and maintain pricing flexibility • Diversify product offerings to reduce reliance on specific commodities • Utilise risk management tools like hedging to mitigate price volatility
 <p>Project management risk</p>	As the Company undertakes various capital expenditure initiatives, effective project management is crucial. Delays in ongoing or planned projects could lead to cost overruns and missed opportunities.	<ul style="list-style-type: none"> • Implement robust project planning and monitoring systems • Conduct thorough feasibility studies prior to project initiation • Foster strong communication among project teams to address issues promptly

Effectiveness of Internal Control Systems

The Company maintains robust and comprehensive internal control systems to safeguard its assets, prevent unauthorised use or disposal, and ensure the proper authorization, recording, and reporting of transactions. These internal controls are designed to optimise resource utilisation, enhance operational efficiency, monitor operations, and ensure compliance with relevant laws and regulations. Additionally, the auditors have affirmed the adequacy and effectiveness of the Company's internal control systems, providing further assurance of their reliability and integrity. These measures contribute to the Company's overall governance framework and instil confidence in the accuracy and transparency of its financial and operational activities.

Human Resource Development and Industrial Relations

Sarthak Metals deeply value its employees as a fundamental asset and a key driver of its growth. Recognizing their immense importance, we actively invest in honing their skills and knowledge through comprehensive training and development programs. Our goal is not only to attract the best talent in the market but also to retain them by establishing ourselves as an employer of choice. We foster a supportive and

collaborative work environment that encourages open communication and mutual respect. Moving forward, we are committed to maintaining these positive relationships with our employees. As of March 31, 2024, our dedicated workforce exceeded 148 individuals, and we continue to strengthen our human capital. We firmly believe that investing in our employees and fostering strong industrial relations will contribute to our continued success and growth.

Cautionary Statement

Statements in the Management Discussion and Analysis and other parts of the report describing the Company's objectives, projections, estimates and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include economic and political conditions in India and other countries, in which the Company may operate. Other factors that may impact the Company's operations include volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not intend to update these statements.



Notice of Annual General Meeting

Of Sarthak Metals Limited

CIN: L51102CT1995PLC009772

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

Website: www.sarthakmetals.com

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

NOTICE is hereby given that the 29th Annual General Meeting of the members of **Sarthak Metals Limited** will be held on Tuesday, August 20, 2024 at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 at 12:00 noon for transacting the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements:

To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and the Statutory Auditors thereon.

2. Appointment of a Director retiring by rotation:

To appoint a director in place of Mr. Anoop Kumar Bansal (DIN: 01661844), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Mr. Anoop Kumar Bansal (DIN: 01661844) as Managing Director:

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

“RESOLVED THAT, pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, as may be required, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Anoop Kumar Bansal as Managing Director of the Company for a period of 5 Years with effect from August 21, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his re-appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Anoop Kumar Bansal.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

4. Re-appointment of Mr. Sanjay Chamanlal Shah (DIN: 00350967) as Whole-Time Director:

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

“RESOLVED THAT, pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, as may be required, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Sanjay Chamanlal Shah as Whole-Time Director of the Company for a period of 5 Years with effect from August 21, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his re-appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Sanjay Chamanlal Shah.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and

incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

5. Re-appointment of Mr. Mayur Bhatt (DIN: 07586457) as Whole-Time Director:

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

"RESOLVED THAT, pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 ("Act") and the rules made there under, as amended from time to time, read with Schedule V to the Act, and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, as may be required, the consent of the Members of the Company be and is hereby accorded to re-appoint Mr. Mayur Bhatt as Whole-Time Director of the Company for a period of 5 Years with effect from August 21, 2024 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the period of 3 years from the date of his re-appointment), with liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary terms and conditions of the said appointment in such manner as may be agreed to between the Board and Mr. Mayur Bhatt.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals - statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

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

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

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, as amended from time to time, ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transaction, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis of the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transactions/Contracts/Arrangements/Agreements (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entity i.e., M/s Bansal Brothers falling within the definition of 'Related Party' under Section 2(76) of the Companies Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, in the course of (i) Repair & Maintenance of Machine (ii) Purchase or sale of Consumable Packing Goods (iii) Purchase or sale of Wire Feeder Machine (iv) Repairs & Maintenance Shed & Building (v) Purchase or sale of Cored Wires (vi) Sale or purchase of Empty Drums (vii) Sale or purchase of Waste and Scrap (viii) Purchase or Sale of Raw Material (ix) Purchase or sale of Consumable Stores (x) transfer of any resources, services or obligations to meet its business objectives/requirements ("Related Party Transactions") on such material terms and conditions as may be mutually agreed between M/s. Bansal Brothers and the Company for the Financial Year 2024-25, such that the maximum value of the Related Party Transactions with such party does not exceed value of ₹ 75 Crores for the Financial Year, provided that the said Transactions/Contract/Arrangement/Agreement shall be carried out in the ordinary course of business of the Company and in respect of transactions with related party under section 2(76) of the Companies Act, 2013, are at arm's length basis;

RESOLVED FURTHER THAT, the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contracts, agreements and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

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

7. Approval of remuneration of related party, Mr. Sarthak Bansal, holding office or place of profit:

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

“**RESOLVED THAT**, pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re- enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the revised terms of appointment of Mr. Sarthak Bansal holding office or place of profit, as Deputy General Manager (Purchase), w.e.f April 01, 2024 as detailed in the Explanatory Statement attached hereto subject to the maximum remuneration not exceeding ₹ 4,500,000/- (Rupees Forty Five Lakhs only) per annum with effect from April 01, 2024;

RESOLVED FURTHER THAT, the Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing.”

8. Approval of remuneration of related party, Mr. Samarth Bansal, holding office or place of profit:

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

“**RESOLVED THAT**, pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re- enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the revised terms of

appointment of Mr. Samarth Bansal holding office or place of profit, as Deputy General Manager (Plant), w.e.f April 01, 2024 as detailed in the Explanatory Statement attached hereto subject to the maximum remuneration not exceeding ₹ 4,500,000/- (Rupees Forty Five Lakhs only) per annum with effect from April 01, 2024;

RESOLVED FURTHER THAT, the Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing.”

9. Approval of remuneration of related party, Mr. Gaurav Agarwal, holding office or place of profit:

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

“**RESOLVED THAT**, pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re- enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the revised terms of appointment of Mr. Gaurav Agarwal holding office or place of profit, as Deputy General Manager (Import and Export), w.e.f April 01, 2024 as detailed in the Explanatory Statement attached hereto subject to the maximum remuneration not exceeding ₹ 3,600,000/- (Rupees Thirty Six Lakhs only) per annum with effect from April 01, 2024;

RESOLVED FURTHER THAT, the Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing.”

10. Approval of remuneration of related party, Mr. Manoj Kumar Bansal, holding office or place of profit:

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

“RESOLVED THAT, pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the revised terms of appointment of Mr. Manoj Kumar Bansal holding office or place of profit, as President of the Company, w.e.f April 01, 2024 as detailed in the Explanatory Statement attached hereto subject to the maximum remuneration not exceeding ₹ 6,000,000/- (Rupees Sixty Lakhs only) per annum with effect from April 01, 2024;

RESOLVED FURTHER THAT, the Board of Directors has the liberty to alter and vary such remuneration in accordance with the provisions of the Companies Act, 2013, to effect change in designation and responsibilities of the persons holding office or place of profit within the maximum limit approved by the shareholders.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to

take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing.”

11. Ratification of remuneration of Cost Auditor:

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

“RESOLVED THAT, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 35,000/- (Rupee Thirty-Five Thousand only) per annum, plus applicable taxes and re-imbursment of out of pocket expenses incurred in connection with the Audit, as approved by the Board of Directors based on recommendation of Audit Committee of the Company, to be paid to M/s Gajadhar Prasad & Co.(Firm Registration No. 003682), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified and confirmed;

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

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011
CIN: L51102CT1995PLC009772
Email: cs@sarthakmetals.com,
cfo@sarthakmetals.com
website: www.sarthakmetals.com

Date: July 12, 2024

Place: Bhilai (C.G.)

By Order of the Board of Directors
Sarthak Metals Limited

Pratik Jain

Sd/-

Company Secretary
Membership No. ACS 61747

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF MEETING.
2. A person can act as proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The attendance slip cum Proxy Form is available at the end of this Annual Report.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under item No. 3 to 11 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 2 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
5. In terms of the provisions of Section 108 of the Companies Act, 2013, the business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information related to e-voting are given in the notice under Note No. 24. The Members (including proxies) attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.
6. Relevant documents referred to in the above Notice are open for inspection at the Registered Office of the Company during the business hours on any working day (except Sunday and holidays) between 10:00 a.m. and 4:00 p.m. up to the date of the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. Pursuant to the provision of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 13, 2024 to Tuesday, August 20, 2024 (Both days inclusive).
9. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the meeting along with the ID proof of the authorized representative.
10. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions Of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF.

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

Name : Sandeep V More
Address : Bigshare Services Private Ltd.
Office No. S6-2,
6th Floor, Pinnacle Business
Park, Next to Ahura Centre
Mahakali Caves Road, Andheri
East, Mumbai 400093,
Maharashtra, India.
Tel : 022-62638200/222/223
Email : investor@bigshareonline.com
11. Members/Proxies/authorized representatives attending the Meeting are requested to bring their copies of Annual Report together with attendance slip duly completed and signed along with Client ID and DP ID numbers.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained

under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

13. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent (RTA) of the Company. Please find below the contact details of RTA:

Bigshare Services Private Ltd.
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093,
Maharashtra, India.
Email-ID: investor@bigshareonline.com
Contact No.: 022-62638200/222/223

14. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to the individual shareholder. The same should be availed through respective depository.
15. The Company has appointed Bigshare Services Private Limited, Mumbai as its Registrar and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfer, DEMAT request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to Registrar directly quoting folio no., full name and name of Company as 'Sarthak Metals Limited' at investor@bigshareonline.com.
16. Any member desiring any clarification/explanation in respect of the information given in this Annual Report is requested to submit query to the Company at least 10 days in advance before the meeting so as to enable the management to keep information ready.
17. The route map of the venue of the Annual General Meeting is annexed at the end of this Report. The prominent land mark near the venue is Bhilai Power House Bus Stand, Bhilai – 490011, Chhattisgarh, India.
18. In compliance with the MCA Circulars and SEBI Circular dated December 28, 2022 and May 13, 2022 read with circular dated January 15, 2021 and May 12, 2020, the Annual Report of the Company for the Financial Year 2023-24, including the Notice convening the 29th Annual General Meeting, has been emailed to the members whose email addresses are available with the depositories for communication purposes or are obtained directly from the members, as per Section 136 of the Companies Act, 2013, and Rule 11 of the Companies (Accounts) Rules, 2014. If any member wishes to get a duly printed copy of the Annual Report,

the Company will send the same, free of cost, upon receipt of request from the member.

19. The Annual Report of the Company will be available on the Company's website www.sarthakmetals.com and on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchanges of India limited at www.bseindia.com and www.nseindia.com respectively. As per Section 136(1), the physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cs@sarthakmetals.com.
20. Mr. Atul Jain, Practicing Chartered Accountants (Membership No. 447869), has been appointed as the Scrutinizer to scrutinize the remote e-Voting process in a fair and transparent manner.
21. Any person who becomes a member of the Company after sending the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at sandeep@bigshareonline.com. However, if a member is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
22. The results declared along with the scrutinizer's report will be placed on the website of the Company i.e., www.sarthakmetals.com under investors section and on the website of NSDL i.e., <https://evoting.nsdl.com/>. The results shall also be communicated to the Stock Exchanges and will be made available on the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchanges of India limited at www.bseindia.com and www.nseindia.com respectively.
23. The Shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM hall.
24. Instructions for remote e-Voting are as follows:

A. Voting through electronic means:

in compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other

than venue of the AGM ("remote e-Voting") will be provided by Bigshare Services Private Limited.

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

- i. The voting period begins on Saturday, August 17, 2024 9:00 a.m. and ends on Monday, August 19, 2024 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, August 12, 2024 may cast their vote electronically. The e-Voting module shall be disabled by Bigshare for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
 - iv. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
1. Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.

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

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

Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period.</p>
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Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDXL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>

Click on "LOGIN" button under the 'INVESTOR LOGIN' section to Login on E-Voting Platform.

Please enter your 'USER ID' (User id description is given below) and 'PASSWORD' which is shared separately on your registered email id.

- o Shareholders holding shares in CDSL demat account should enter 16 Digit Beneficiary ID as user id.
- o Shareholders holding shares in NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID as user id.
- o Shareholders holding shares in physical form should enter Event No + Folio Number registered with the Company as user id.

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

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

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

If you have forgotten the password: Click on 'LOGIN' under 'INVESTOR LOGIN' tab and then Click on 'Forgot your password?'

Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'Reset'.

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

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

After successful login, Bigshare E-voting system page will appear.

Click on "VIEW EVENT DETAILS (CURRENT)" under 'EVENTS' option on investor portal.

Select event for which you are desire to vote under the dropdown option.

Click on "VOTE NOW" option which is appearing on the right hand side top corner of the page.

Cast your vote by selecting an appropriate option "IN FAVOUR", "NOT IN FAVOUR" or "ABSTAIN" and click on "SUBMIT VOTE". A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.

Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.

Shareholder can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on investor portal.

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

You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>

Click on "REGISTER" under "CUSTODIAN LOGIN", to register yourself on Bigshare i-Vote e-Voting Platform.

Enter all required details and submit.

After Successful registration, message will be displayed with "User id and password will be sent via email on your registered email id".

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

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

Enter "User ID" and "Registered email ID" Click on I AM NOT A ROBOT (CAPTCHA) option and click on 'RESET'.

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

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

After successful login, Bigshare E-voting system page will appear.

Investor Mapping:

First you need to map the investor with your user ID under "DOCUMENTS" option on custodian portal.

- o Click on "DOCUMENT TYPE" dropdown option and select document type power of attorney (POA).
- o Click on upload document "CHOOSE FILE" and upload power of attorney (POA) or board resolution for respective investor and click on "UPLOAD".

Note: The power of attorney (POA) or board resolution has to be named as the "InvestorID.pdf" (Mention Demat account number as Investor ID.)

- o Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select "VOTE FILE UPLOAD" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.

Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "UPLOAD". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).

Custodian can "CHANGE PASSWORD" or "VIEW/UPDATE PROFILE" under "PROFILE" option on custodian portal.

Helpdesk for queries regarding e-Voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

B. The instructions for members for voting on the day of the AGM are as under:

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

votes cast in favour or against and invalid votes if any. The results declared along with the Scrutinizer's report, will be posted on the website of the Company www.sarthakmetals.com and on the website of NSDL immediately after the declaration of the result by the Chairman or any person authorised by him and communicated to the Stock Exchange.

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

Registered Office:

B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011
CIN: L51102CT1995PLC009772
Email: cs@sarthakmetals.com,
cfo@sarthakmetals.com
website: www.sarthakmetals.com

Date: July 12, 2024

Place: Bhilai (C.G.)

By Order of the Board of Directors
Sarthak Metals Limited

Pratik Jain

Sd/-

Company Secretary
Membership No. ACS 61747

Explanatory Statement

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under item No. 3 to 11 of the accompanying Notice. The item wise explanatory statement for all special business mentioned (supra) is as follows:

1. Re-appointment of Mr. Anoop Kumar Bansal (DIN: 01661844) as Managing Director:

In the 25th Annual General Meeting held on September 09, 2020, the members had approved the re-appointment of Mr. Anoop Kumar Bansal as Managing Director of the Company for a period of 5 years on the terms and conditions as agreed between the Company and Mr. Anoop Kumar Bansal, with a specific authority to the Board of Directors to alter or vary terms and conditions of the said appointment and/or agreement including remuneration.

In view of the increase in the job responsibilities and scope of work in the Company, the Nomination and Remuneration Committee in its meeting held on May 22, 2024 has recommended an increase in the salary of Mr. Anoop Kumar Bansal with effect from April 01, 2024.

Your directors have recommended a ceiling on remuneration of ₹ 7,200,000/- (Rupees Seventy-Two Lakhs only) per annum. Other terms and conditions of the appointment of Mr. Anoop Kumar Bansal shall remain same.

Details as Required Under Schedule V

I. General Information:

- Nature of Industry: Ancillary Unit of Iron & Steel Plants.
- Date or expected date of commencement of commercial production: Not Applicable (Company is an existing Company).
- Financial Performance based on given indicators:

Particulars	(₹ in Lakhs)	
	Current Year as on March 31, 2024	Previous Year as on March 31, 2023
Total Income	30,517.35	40,842.59
Less: Expenditure & Depreciation	28,813.29	37,121.63
Add: Exceptional items	-	(78.88)
Profit Before Tax (PBT)	1,896.58	4,022.55
Less: Tax (including deferred tax)	513.75	1,046.21
Profit After Tax (PAT)	1,382.83	2,979.38

- Foreign Investments or collaboration if any: Not Applicable

Pursuant to Regulation 17(6)(e), the remuneration payable to Executive Directors who are members of the promoter group, shall be subject to the approval of the shareholders by special resolution if the remuneration exceeds the limits as mentioned in the aforesaid regulation.

If in any financial year, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites will be subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013.

Except, Mr. Anoop Kumar Bansal, Mr. Kishore Kumar Bansal, Mr. Manoj Kumar Bansal, Ms. Sanju Bansal, Mr. Samarth Bansal, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The Board Recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members of the Company.

II. Information about the appointee:

The profile of Mr. Anoop Kumar Bansal is as follows:

Background details	Anoop Kumar Bansal is the Managing Director and one of the Promoters of our Company. He has completed his bachelor's in commerce (B.com) from Nagpur University. He has more than 27 years of experience in the business and industry. He conceptualized several innovative commercial ideas and implementation of the same has resulted in huge success of our Company. He has been on the Board of our Company since its inception and is appointed as the Managing Director of our Company since August 21, 2016. He is reappointed on August 22, 2019 for a period of 5 years.
Past remuneration	₹ 6,650,000/- paid as remuneration during the year ended on March 31, 2024.
Job profile and his suitability	Mr. Anoop Kumar Bansal renders services as the Managing Director to the Company. He has inherited an enormous legacy and shouldered higher assignments during his tenure with the Company. His sincerity, commitment and ideas have resulted in opening up of new opportunities for the Company. In view of his enriched experience, appreciable contribution and enlarged leadership, the Board approves the remuneration of Mr. Anoop Kumar Bansal for further period of 3 years w.e.f. April 01, 2024.
Remuneration proposed	As per Annexure - A (Below)
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Mr. Anoop Kumar Bansal has vast experience in Management. Mr. Bansal has rich experience of handling various areas of business and is well known in retail industry. Mr. Bansal has started a lot of new initiatives in the Company since he joined as Managing Director. Considering the general industry and the specific Company profile the remuneration is in line with the industry levels and that of comparatively placed Companies in India.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Anoop Kumar Bansal is the Managing Director and one of the Promoters of our Company. He holds 1145250 shares in the Company.
Age	56
Relationship with other directors	NA
Number of Board Meeting attended	6/6
Directorship and membership/ chairmanship in committees	NA

ANNEXURE A

Following are the details of the salary payable to him along with other perquisites:

I. Remuneration: ₹ 500,000 per month

- Basic Salary: ₹ 500,000/- per month. Perquisites shall be valued as per Income tax Rules and in addition to the Basic Salary the Managing Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.
- In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Anoop Kumar Bansal as minimum remuneration.
- Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Anoop Kumar Bansal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.

Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹ 500,000/- (Rupees Five Lakhs only).

II. Other Information:

- (a) Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax
- (b) The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.
- (c) Steps taken or proposed to be taken for improvement: Not Applicable
- (d) Expected increase in productivity and profits in measurable terms: Not Applicable

2. Re-appointment of Mr. Sanjay Chamanlal Shah (DIN: 00350967) as Whole-Time Director:

In the 25th Annual General Meeting held on September 09, 2020, the members had approved the re-appointment of Mr. Sanjay Chamanlal Shah as Whole-Time Director of the Company for a period of 5 years on the terms and conditions as agreed between the Company and Mr. Sanjay Chamanlal Shah, with a specific authority to the Board of Directors to alter or vary terms and conditions of the said appointment and/or agreement including remuneration.

In view of the increase in the job responsibilities and scope of work in the Company, the Nomination and Remuneration Committee in its meeting held on May 22, 2024 has recommended an increase in the salary of Mr. Sanjay Chamanlal Shah with effect from April 01, 2024.

Your directors have recommended a ceiling on remuneration of ₹ 7,200,000/- (Rupees Seventy-Two Lakhs only) per annum. Other terms and conditions of the appointment of Mr. Sanjay Chamanlal Shah shall remain same.

Pursuant to Regulation 17(6)(e), the remuneration payable to Executive Directors who are members of the promoter group, shall be subject to the approval of the shareholders by special resolution if the remuneration exceeds the limits as mentioned in the aforesaid regulation.

If in any financial year, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites will be subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013.

Mr. Sanjay Chamanlal Shah, is interested in the resolution to the extent of remuneration, perquisites and benefits in the proposed resolution.

The Board Recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members of the Company.

Except Mr. Sanjay Chamanlal Shah, Ms. Shalini Shah, Mr. Sagar Sanjay Shah, Mr. Siddharth Sanjay Shah and Ms. Champaben Shah, Ms. Suman Siddharth Shah, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

Details as Required Under Schedule V

I. General Information:

- a. Nature of Industry: Ancillary Unit of Iron & Steel Plants.
- b. Date or expected date of commencement of commercial production: Not Applicable (Company is an existing Company).
- c. Financial Performance based on given indicators:

Particulars	(₹ in Lakhs)	
	Current Year as on March 31, 2024	Previous Year as on March 31, 2023
Total Income	30,517.35	40,842.59
Less: Expenditure & Depreciation	28,813.29	37,121.63
Add: Exceptional items	-	(78.88)
Profit Before Tax (PBT)	1,896.58	4,022.55
Less: Tax (including deferred tax)	513.75	1,046.21
Profit After Tax (PAT)	1,382.83	2,979.38

- d. Foreign Investments or collaboration if any: Not Applicable

II. Information about the appointee:

The profile of Mr. Sanjay Shah is as follows:

Background details	Mr. Sanjay Shah is the Whole-Time Director and one of the Promoters of our Company. He has more than 38 years of experience in the business and industry and he is heading the Sales and Marketing division of our Company. He is also involved in oversight of day-to-day affairs of the Company, as a Whole-Time director. He has been on the Board of our Company since January 02, 2003 and is approved as the Whole-Time Director of our Company since August 24, 2016. He is re-appointed on August 26, 2019 for a period of 5 years.
Past remuneration	₹ 6,650,000/- paid as remuneration during the year ended on March 31, 2024.
Job profile and his suitability	Mr. Sanjay Shah renders services as Whole-Time Director of the Company. Considering his knowledge of marketing and investors relations and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Sanjay Shah, should be continued with Company.
Remuneration proposed	As per Annexure - B (Below)
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Mr. Sanjay Shah has vast experience to deal with day-to-day affairs of the Company, as a Whole-Time Director. Mr. Shah has experience of handling various areas of business and expert in formulation of good strategy which required for the development of the business. Mr. Shah is continuously running the operations of the Company in good as well as in difficult times. In the present challenging situation, it is inevitable that the Company's growth strategy continues under the continued guidance of Mr. Sanjay Shah. Considering their general industry and the specific Company profile, the remuneration is in line with the industry levels and that of comparatively placed Companies in India. The Board approves the remuneration of Mr. Sanjay Chamanlal Shah for further period of 3 years w.e.f. April 01, 2024.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Sanjay Shah is the Whole-Time Director and one of the Promoters of our Company. He holds 580,950 shares in the Company and does not have any other pecuniary relationship.
Age	61
Relationship with other directors	NA
Number of Board Meeting attended	5/6
Directorship and membership/ chairmanship in committees	NA

ANNEXURE B

Following are the details of the salary payable to him along with other perquisites:

I. Remuneration: ₹ 500,000/- per month

- Basic Salary: ₹ 500,000/- per month. Perquisites shall be valued as per Income Tax Rules and in addition to the Basic Salary the Whole-Time Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.
- In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Sanjay Shah as minimum remuneration.
- Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Sanjay Shah, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.

II. Other Information:

- (a) Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax.

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

- (b) Steps taken or proposed to be taken for improvement: Not Applicable
- (c) Expected increase in productivity and profits in measurable terms: Not Applicable

Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹ 500,000/- (Rupees Five Lakhs only).

3. Re-appointment of Mr. Mayur Bhatt (DIN: 07586457) as Whole-Time Director:

In the 25th Annual General Meeting held on September 09, 2020, the members had approved the re-appointment of Mr. Mayur Bhatt as Whole-Time Director of the Company for a period of 5 years on the terms and conditions as agreed between the Company and Mr. Mayur Bhatt, with a specific authority to the Board of Directors to alter or vary terms and conditions of the said appointment and/ or agreement including remuneration.

In view of the increase in the job responsibilities and scope of work in the Company, the Nomination

and Remuneration Committee in its meeting held on May 22, 2024 has recommended an increase in the salary of Mr. Mayur Bhatt with effect from April 01, 2024.

Your directors have recommended a ceiling on remuneration of ₹ 1,200,000/- (Rupees Twelve Lakhs only) per annum. Other terms and conditions of the appointment of Mr. Mayur Bhatt shall remain same.

Pursuant to Regulation 17(6)(e), the remuneration payable to Executive Directors who are members of the promoter group, shall be subject to the approval of the shareholders by special resolution if the remuneration exceeds the limits as mentioned in the aforesaid regulation.

If in any financial year, the Company has no profits or its profits are inadequate, remuneration by way of salary and perquisites will be subject to the ceilings and the conditions set out in Section II of Part II of Schedule V of the Companies Act, 2013.

Mr. Mayur Bhatt, is interested in the resolution to the extent of remuneration, perquisites and benefits in the proposed resolution.

The Board Recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members of the Company.

Except Mr. Mayur Bhatt, Ms. Jaya Bhatt, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

Details as Required Under Schedule V

I. General Information:

- a. Nature of Industry: Ancillary Unit of Iron & Steel Plants.
- b. Date or expected date of commencement of commercial production: Not Applicable (Company is an existing Company).
- c. Financial Performance based on given indicators:

Particulars	₹ in Lakhs	
	Current Year as on March 31, 2024	Previous Year as on March 31, 2023
Total Income	30,517.35	40,842.59
Less: Expenditure & Depreciation	28,813.29	37,121.63
Add: Exceptional items	-	(78.88)
Profit Before Tax (PBT)	1,896.58	4,022.55
Less: Tax (including deferred tax)	513.75	1,046.21
Profit After Tax (PAT)	1,382.83	2,979.38

- d. Foreign Investments or collaboration if any: Not Applicable

II. Information about the appointee:

The profile of Mr. Mayur Bhatt is as follows:

Background details	Mr. Mayur Bhatt is the Whole-Time Director and CEO of our Company. He has more than 19 years of experience in the business and industry and he is heading the General Operations of our Company. He is also involved in oversight of day-to-day affairs of the Company, as a Whole-Time director. He has been on the Board of our Company since 2016 and has been appointed as the CEO in the year 2021.
Past remuneration	₹ 1,350,000 paid as remuneration during the year ended on March 31, 2024.
Job profile and his suitability	Mr. Mayur Bhatt renders services as Whole-Time Director and CEO of the Company. Considering his experience in the day-to-day management of the Company, in overseeing the general operation and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Mayur Bhatt, should be continued with Company.
Remuneration proposed	As per Annexure - C (Below)
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Mr. Mayur Bhatt, aged 45 years, is the Whole-Time Director of our Company. He has completed his Bachelors in Arts (B.A), from Guru Ghasidas University, Bilaspur, and Chhattisgarh. He has also completed his Diploma in Electrical Engineering from Madhya Pradesh Board of Technical Education, Bhopal. He has more than 19 years of experience in the industry, and he is associated with our Company since 2005 in various roles & responsibilities, presently he is heading the Operations department. Mr. Mayur Bhatt is also the Chief Executive Officer of the Company. The Board approves the remuneration of Mr. Mayur Bhatt for further period of 3 years w.e.f. April 01, 2024.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Mayur Bhatt is the Whole-Time Director and CEO of our Company. He holds 454,050 shares in the Company and does not have any other pecuniary relationship.
Age	45
Relationship with other directors	NA
Number of Board Meeting attended	6/6
Directorship and membership/ chairmanship in committees	NA

ANNEXURE C

Following are the details of the salary payable to him along with other perquisites:

I. Remuneration: ₹ 100,000/- per month

- Basic Salary: ₹ 100,000/- per month. Perquisites shall be valued as per Income Tax Rules and in addition to the Basic Salary the Whole-Time Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.
- In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Mayur Bhatt as minimum remuneration.
- Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Mayur Bhatt, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified

above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.

II. Other Information:

- Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax.

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

- Steps taken or proposed to be taken for improvement: Not Applicable
- Expected increase in productivity and profits in measurable terms: Not Applicable

Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹ 100,000/- (Rupees One Lakhs only).

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

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

SML buys certain specialty noble ferro alloys from Bansal Brothers. These noble ferro alloys are niche of Bansal Brothers for which they have more than 70% market share in Indian market. Thus, the prices at

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

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

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

(Amounts in ₹)

Particular of Transactions	March 31, 2022	March 31, 2023	March 31, 2024	Total
Purchase Raw Material	260,332,487	258,820,250	128,831,896	647,984,633
Sales of Ferro Alloys	288,551,316	142,674,562	37,032,927	468,258,805
Repair & Maintenance Machine	113,981	74,465	100,974	289,420
Factory Shed & Building	126,195	-	2,320,842	2,447,037
Consumable Packing Goods	471,746	278,270	449,280	1,199,296
Plant & Machinery	24,638	-	420,768	445,406
WIP Factory Shed & Building	113,964	-	-	113,964
Repair & Maintenance factory Shed & Building	61,436	93,044	-	154,480
Other Expenses	175,431	-	-	175,431
Consumable Goods	-	714	-	714
WIP Plant & Machinery	-	387,742	-	387,742
Purchase of Wire Feeder Machine	-	212,611	-	2,12,611
Sales Cons. Goods, Raw. Mat.	-	15,206,781	-	15,206,781
Total	549,971,194	417,748,439	169,156,688	1,136,876,321

Sr. No.	Description	Particulars
1.	Name of the related party	M/s Bansal Brothers
2.	Nature of relationship [including nature of its interest (financial or otherwise)]	Mr. Anoop Kumar Bansal, Managing Director (proposed for re-appointment) and Mr. Anirudh Singhal, CFO are partners in M/s Bansal Brothers. As per accounting terms it is an Enterprise over which significant influence exists.
3.	Type of the proposed transaction	i. Purchase Raw Material ii. Sales Ferro Alloys iii. Repair & Maintenance Machine iv. Other Expenses v. Consumable Goods vi. Purchase of Wire Feeder Machine vii. Sales Cons. Goods, Raw. Mat. viii. Any transfer of resources, services or obligations to meet its objectives/requirements
4.	Nature, duration/tenure, material terms, monetary value and particulars of contract/arrangement	Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in.
5.	Particulars of the proposed transaction	Same as point no. 3
6.	Tenure of the transaction	Contracts/arrangements with a duration up to 5 years.
7.	Value of the proposed transactions	₹ 75 Crores per year
8.	Percentage of Sarthak's annual turnover, for the immediately preceding Financial Year, that is represented by the value of the proposed transaction	5.50%
9.	Benefits of the proposed transaction	SML buys certain specialty noble ferro alloys from Bansal Brothers. These noble ferro alloys are niche of Bansal Brothers for which they have more than 70% market share in Indian market. Thus, the prices at which Bansal Brothers can supply to SML is highly competitive due to scale advantage. Further, the lead time for procurement from Bansal Brothers is very less and reduces the working capital requirement of SML for such alloys. Furthermore, Bansal Brothers offer great credit terms to SML due to related party trust. That being said SML always researches the price of said ferro alloys in international markets before placing an order with Bansal Brothers. It can be said that Sarthak Metals has almost a 70% market share in Products manufactured using products of Bansal Brothers due to this symbiotic relationship.
10.	Details of the valuation report or external party report (if any) enclosed with the Notice	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally
11.	Name of the Director or Key Managerial Personnel, who is related	Mr. Anoop Kumar Bansal, Mr. Anirudh Singhal

Sr. No.	Description	Particulars
12	Following additional disclosures to be made in case loans, inter-corporate deposits, advances or investments made or given	NA
A.	Source of funds	NA
B.	In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment: <ul style="list-style-type: none"> · Nature of indebtedness · Cost of funds and · Tenure of the indebtedness 	NA
C.	Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security)	NA

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

The Board recommends the Ordinary Resolution set out at Item No. 06 of the Notice for approval and ratification by the members of the Company.

5. Approval of remuneration of related party, Mr. Sarthak Bansal, holding office or place of profit:

The provisions of section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Sarthak Bansal, was appointed as Deputy General Manager (Purchase) in the Year 2018. He is the son of Mr. Manoj Kumar Bansal, President and Promoter of the Company. In view of the same, the position/office held by Mr. Sarthak Bansal in the Company falls within the preview of Section 188(1)(f) and remuneration in excess of ₹ 3,000,000/- (Rupees Thirty Lakhs only) per annum, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit.

Mr. Sarthak has vast experience of more than Five Years in purchase and procurement of the different raw materials required for the production.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on May 22, 2024 had recommended a ceiling on remuneration of ₹ 4,500,000/- (Rupees Forty Five Lakhs only) per annum, payable to Mr. Sarthak Bansal w.e.f April 01, 2024, subject to approval of the Shareholders by way of an Ordinary Resolution.

The main terms and conditions of remuneration of Mr. Sarthak Bansal are as under:

Remuneration:

- a) Maximum Remuneration: ₹ 4,500,000/- per annum (including perquisites but excluding bonus, if any).

None of Directors and Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 07 of the Notice for approval and ratification by the members of the Company.

6. Approval of remuneration of related party, Mr. Samarth Bansal, holding office or place of profit:

The provisions of Section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Samarth Bansal, was appointed as Deputy General Manager (Plant) in the Year 2016. He is the son of Mr. Anoop Kumar Bansal, Managing Director and Promoter of the Company. In view of the same, the position/office held by Mr. Sarthak Bansal in the

Company falls within the preview of Section 188(1)(f) and remuneration in excess of ₹ 3,000,000/- (Rupees Thirty Lakhs only) per annum, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit.

Mr. Samarth has vast experience of more than eight years in operating and maintaining the manufacturing plant of the Company situated at Hathkhoj, Bhilai, Durg, Chhattisgarh.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on May 22, 2024 had recommended a ceiling on remuneration of 4,500,000/- (Rupees Forty Five Lakhs only) per annum, payable to Mr. Samarth Bansal w.e.f April 01, 2024, subject to approval of the Shareholders by way of an Ordinary Resolution.

The main terms and conditions of remuneration of Mr. Samarth Bansal are as under:

Remuneration:

- a) Maximum Remuneration: ₹ 4,500,000/- per annum (including perquisites but excluding bonus, if any).

Except Mr. Anoop Kumar Bansal, Ms. Sanju Bansal, Mr. Samarth Bansal, None of Directors and Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 08 of the Notice for approval and ratification by the members of the Company.

7. Approval of remuneration of related party, Mr. Gaurav Agarwal, holding office or place of profit:

The provisions of section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Gaurav Agarwal, was appointed as Deputy General Manager Import and Export in the Year 2013. He is the son of Mr. Sunil Kumar Agarwal, Chairman of the Board of Directors of the Company. In view of the same, the position/office held by Mr. Gaurav Agarwal in the Company falls within the preview of Section 188(1)(f) and remuneration in excess of ₹ 3,000,000/- (Rupees Thirty Lakhs only) per annum, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit.

Mr. Gaurav has vast experience of more than One decade in Import and Export management. The Company has benefitted immensely from his management in Import and Export.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on May 22, 2024 had recommended a ceiling on remuneration of 36,00,000/- (Rupees Thirty Six Lakhs only) per annum, payable to Mr. Gaurav Agarwal w.e.f April 01, 2024, subject to approval of the Shareholders by way of an Ordinary Resolution.

The main terms and conditions of remuneration of Mr. Gaurav Agarwal are as under:

Remuneration:

- a) Maximum Remuneration: ₹ 3,600,000/- per annum (including perquisites but excluding Bonus, if any).

Except, Mr. Gaurav Agrawal, Mr. Sunil Kumar Agrawal, Ms. Nidhi Agarwal, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 09 of the Notice for approval and ratification by the members of the Company.

8. Approval of remuneration of related party, Mr. Manoj Kumar Bansal, holding office or place of profit:

The provisions of Section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Mr. Manoj Kumar Bansal, was appointed as President in the Year 2016. He is the President and Promoter of the Company. In view of the same, the position/office held by Mr. Manoj Kumar Bansal in the Company falls within the preview of Section 188(1)(f) and remuneration in excess of ₹ 3,000,000/- (Rupees Thirty Lakhs only) per annum, requires shareholders' approval. Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit.

Mr. Manoj Kumar Bansal has vast experience of more than two and half decades in the Metal Industry and a veteran of the industry. The Company has benefitted immensely from his steering the management of the Company and by his valuable guidance and wisdom.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meeting held on May 22, 2024 had recommended a ceiling on remuneration of ₹ 6,000,000/- (Rupees Sixty Lakhs only) per annum, payable to Mr. Manoj Kumar Bansal w.e.f April 01, 2024, subject to approval of the Shareholders by way of an Ordinary Resolution.

The main terms and conditions of remuneration of Mr. Manoj Kumar Bansal are as under:**Remuneration:**

- a) Maximum Remuneration: ₹ 6,000,000/- per annum (including perquisites but excluding Bonus, if any).

Except, Mr. Manoj Kumar Bansal, Ms. Simmi Bansal, Mr. Anoop Kumar Bansal, Mr. Kishore Kumar Bansal, none of the Directors, Key Managerial Personnel and their relatives are interested financial or otherwise in the proposed resolution.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval and ratification by the members of the Company.

9. Ratification of remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Gajadhar

Prasad & Co., (Firm Registration No. 003682) Cost Accountants for the conduct of the audit of cost records made and maintained by the Company, at the remuneration of ₹ 35,000/- (Rupee Thirty-Five Thousand only) per annum plus all applicable taxes & re-imbursment of out-of-pocket expenses for the financial year ending March 31, 2025 In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought for the remuneration payable to the Cost Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution at item no. 11 of this notice.

The Board recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval and ratification by the members of the Company.

Registered Office:
B.B.C. Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh – 490011
CIN: L51102CT1995PLC009772
E-mail ID: cs@sarthakmetals.com, cfo@sarthakmetals.com
website: www.sarthakmetals.com

Date: July 12, 2024
Place: Bhilai (C.G.)

By Order of the Board of Directors
Sarthak Metals Limited

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

Annexure to Notice

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

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

Name of Director	Mr. Anoop Kumar Bansal
Director Identification Number (DIN)	01661844
Date of Birth	July 07, 1967
Age	56 Years
Qualification	Bachelor of Commerce
Experience	More than 27 years
Terms and Condition of Appointment	As per annexure below
Remuneration last Drawn (Including Bonus)	₹ 6,650,000
Nature of Expertise in specific functional areas	He has more than 27 years of experience in the industry. His area of expertise and specific functional areas include Technical and Strategic Planning, Production and General Management and Budgeting, Operations and Accounting, Finance and Banking, Product development and weighment.
Date of first appointment	July 07, 1965
Number of shares held in the Company	1,145,250 shares
Inter-se relationship with other Directors and Key Managerial Personnel	There is no inter-se relationship with any Key Managerial Personnel of the Company.
No. of Board Meetings Attended during the year	6/6
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil
Proposed Remuneration	₹ 6,000,000*

Terms and Condition of Appointment of Mr. Anoop Kumar Bansal

Anoop Kumar Bansal is the Managing Director and one of the Promoters of our Company. He has completed his bachelor's in commerce (B.com) from Nagpur University. He has more than 27 years of experience in the business and industry. He conceptualized several innovative commercial ideas and implementation of the same has resulted in huge success of our Company. He has been on the Board of our Company since its inception and is appointed as the Managing Director of our Company since August 21, 2016. He is reappointed on August 22, 2019 for a period of 5 years.

Following are the details of the salary payable to him along with other perquisites:

- I. Remuneration: ₹ 500,000/- per month:
 - (a) Basic Salary: ₹ 500,000/- per month. Perquisites shall be valued as per Income Tax Rules and in addition to the Basic Salary the Managing Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.

- (b) In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Anoop Kumar Bansal as minimum remuneration.
- (c) Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Anoop Kumar Bansal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.

II. Other Information:

- (a) Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax.

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

- (b) Steps taken or proposed to be taken for improvement: Not Applicable
- (c) Expected increase in productivity and profits in measurable terms: Not Applicable

Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹ 500,000/- (Rupees Five Lakhs only).

Annexure to Notice

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

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

Name of Director	Mr. Sanjay Chamanlal Shah
Director Identification Number (DIN)	00350967
Date of Birth	February 06, 1962
Age	61 Years
Qualification	Higher Secondary
Experience	More than 38 years
Terms and Condition of Appointment	As per annexure below
Remuneration last Drawn (Including Bonus)	₹ 6,650,000
Nature of Expertise in specific functional areas	He has more than 38 years of experience in the industry. His area of expertise and specific functional areas include Technical and Strategic Planning, Production and General Management and Budgeting, Sales and Marketing and Investor Relations and Product development and weighment.
Date of first appointment	January 02, 2003
Number of shares held in the Company	580,950 shares
Inter-se relationship with other Directors and Key Managerial Personnel	There is no inter-se relationship with any Key Managerial Personnel of the Company.
No. of Board Meetings Attended during the year	5/6
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil
Proposed Remuneration	₹ 6,000,000*

Terms and Condition of Appointment of Mr. Sanjay Chamanlal Shah

Mr. Sanjay Shah renders services as Whole-Time Director of the Company. Considering his knowledge and experience of marketing and investors relations and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Sanjay Shah, should be continued with Company.

Following are the details of the salary payable to him along with other perquisites:

- I. Remuneration: ₹ 500,000/- per month:
 - (j) Basic Salary: ₹ 500,000/- per month. Perquisites shall be valued as per Income Tax Rules and in addition to the Basic Salary the Whole-Time Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.

- (k) In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Sanjay Shah as minimum remuneration.
- (l) Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Sanjay Shah, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.
- II. Other Information:
- (a) Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax
- The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.
- (b) Steps taken or proposed to be taken for improvement: Not Applicable
- (c) Expected increase in productivity and profits in measurable terms: Not Applicable
- Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹ 500,000/- (Rupees Five Lakhs only).

Annexure to Notice

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

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

Name of Director	Mr. Mayur Bhatt
Director Identification Number (DIN)	07586457
Date of Birth	December 11, 1978
Age	45 Years
Qualification	Bachelors in Arts and Diploma in Electrical Engineering
Experience	More than 19 years
Terms and Condition of Appointment	As per annexure below
Remuneration last Drawn (Including Bonus)	₹ 1,350,000.
Nature of Expertise in specific functional areas	He has more than 19 years of experience in the industry. His area of expertise and specific functional areas include Technical and Strategic Planning, Operations and Accounting, Production and General Management and Budgeting, Sales and Marketing and Investor Relations.
Date of first appointment	August 21, 2016
Number of shares held in the Company	454,050 shares
Inter-se relationship with other Directors and Key Managerial Personnel	There is no inter-se relationship with any Key Managerial Personnel of the Company.
No. of Board Meetings Attended during the year	6/6
Directorships held in other companies	Nil
Membership/Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship)	Nil
Proposed Remuneration	₹ 1,200,000*

Terms and Condition of Appointment of Mr. Mayur Bhatt

Mr. Mayur Bhatt is the Whole-Time Director and CEO of our Company. He has more than 19 years of experience in the business and industry and he is heading the General Operations of our Company. He is also involved in oversight of day-to-day affairs of the Company, as a Whole-Time director. He has been on the Board of our Company since 2016 and has been appointed as the CEO in the year 2021.

Following are the details of the salary payable to him along with other perquisites:

- I. Remuneration: ₹ 100,000/- per month
 - (a) Basic Salary: ₹ 100,000/- per month. Perquisites shall be valued as per Income Tax Rules and in addition to the Basic Salary the Whole-Time Director can also be paid Bonus in the ratio of the Bonus paid to the other employees of the Company.

- (b) In case of absence or inadequacy of profits in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Mayur Bhatt as minimum remuneration.
- (c) Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Mayur Bhatt, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary, with the approval of the Central Government.

II. Other Information:

- (a) Reasons for loss or inadequate profit: In the Financial Year ended March 31, 2024, the Company made Profit after Tax

The remuneration proposed is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013.

- (b) Steps taken or proposed to be taken for improvement: Not Applicable
- (c) Expected increase in productivity and profits in measurable terms: Not Applicable

Overall monthly remuneration including perquisites but excluding bonus if any, shall not exceed ₹100,000/- (Rupees One Lakhs only).

Directors' Report

Dear Members,

Your Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Sarthak") along with the audited financial statements, for the financial year ended March 31, 2024.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

(₹ in Lakhs)

Particulars	For the year ended March 31,	
	2024	2023
Revenue from Operations	30,517.35	40,842.59
Other Income (Net)	192.52	380.47
Total Income	30,709.87	41,223.06
Expenses	28,813.29	37,121.63
Exceptional Items	-	(78.88)
Profit Before Tax	1,896.58	4,022.55
Less: Tax (Including deferred tax and current tax relating to earlier years)	513.75	1,046.21
Total Other Comprehensive Income (Net of Tax)	1,382.83	2,976.35
Profit After Tax	1,383.28	2,979.38
Earnings Per Share of ₹ 10 each		
Basic	10.10	21.74
Diluted	10.10	21.74

The Company reported a subdued financial performance in FY24 on account of significant challenges in the external environment vis-a-vis steel industry, throughout the year. Coupled with a weak demand outlook from steel industry, were challenges on falling product realisations, and subdued exports for the Company. Thus, our Revenue from Operations for the year stood at ₹ 305.17 Crores, as compared to ₹ 408.43 Crores in FY23, registering a decrease of 25% year-on-year. Coupled with lower top line on account of lower volumes and realisations, we also witnessed a compression in our operating profitability. Our EBITDA Margins stood at 6.5% in FY24, compared to 9.8% in FY23. Subsequently, Net Profit stood at ₹ 13.83 Crores in FY24, as compared to ₹ 29.76 Crores in FY23, registering a decrease of 54% YoY.

Despite these temporary setbacks, we remain optimistic about the future outlook of our core Cored Wire & Aluminium Flipping Coil business. Our clients, who are among the largest steel players in India, continue to expand their capacities thus promising a good outlook for metallurgical solution providers & industry.

Additionally, our outlook is supported by the promising the ramp-up in our Flux Cored Wires

vertical, which we believe will prove to be an important frontier for the company's growth. Our venture into this new product categories has shown promising results, with strong market acceptance for our product quality. Encouraged by this positive initial response, we are expanding our production capacity in this segment to capitalise on the growing demand. Our business outlook is also supported by the strong balance sheet and healthy cash reserves, that provide a solid foundation for navigating future uncertainties and pursuing growth opportunities. Sarthak Metals is well-positioned to adapt to evolving market conditions and leverage emerging prospects in the coming year.

As we march forward, our commitment to innovation, quality, and customer satisfaction will remain across all our product verticals.

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

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

3. DIVIDEND:

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

The Company declared dividend as under:

	Fiscal 2024			Fiscal 2023		
	Dividend per share (in ₹)	Dividend pay-out (in ₹ Lakhs)	%age of Dividend	Dividend per share (in ₹)	Dividend pay-out (in ₹ Lakhs)	%age of Dividend
Interim dividend	1.00	136.90	10	1.00	136.90	10
Final dividend	-	-	-	1.00	136.90	10
Total dividend	1.00	136.90	10	2.00	273.80	20

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

4. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, the Company commenced operations in a new product category i.e. Flux Cored Wires (FCW). FCW is a consumable in industrial welding & heavy fabrication units. The Company has started with one manufacturing line, and an initial capacity of 1,200 TPA, set to expand in the coming financial year. Additionally, the Company has commenced R&D and developed a pilot facility in Nagpur, Maharashtra, for research in the Biotechnology domain, specifically for Industrial Enzymes and Natural Proteins. The Company is working towards rapid technology adoption. Our work is in collaboration with the Council of Scientific & Industrial Research (CSIR), LIT University, and Hislop College for technology transfer and continuous research and development in this domain.

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

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

6. CAPITAL STRUCTURE:

The Paid-up Equity share capital of the Company as on April 01, 2023 was ₹ 136,897,500/- divided into 13,689,750 Equity Shares of ₹ 10/- each. No change was made during the year. The equity share capital thus, as on March 31, 2024 was ₹ 136,897,500/-.

During the F.Y. 2023-24 your Company has neither issued shares with differential voting rights as to dividends, voting or otherwise nor issued shares

(including sweat equity shares) to the employees or directors of the Company under any scheme such as bonus, right issue, private placement, preferential allotment or by any other mode as per Companies Act, 2013.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

7.1. Re-appointments:

7.1.1. Director liable to retire by rotation:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Anoop Kumar Bansal (DIN: 01661844), Managing Director of your Company retires by rotation in the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

7.1.2. Re-appointment of Managing Director and Whole-Time Directors:

In the 25th Annual General Meeting held on September 09, 2020, the members had approved the re-appointment of Mr. Anoop Kumar Bansal as Managing Director, Mr. Sanjay Chamanlal Shah, as Whole-Time Director and Mr. Mayur Bhatt, as Whole-Time Director of the Company for a period of 5 years. The said term of 5 years is going to expire.

The Board of Directors on the recommendation of Nomination and Remuneration Committee of the Committee has approved, subject to approval of Members at ensuing Annual General Meeting, the re-appointment of Mr. Anoop Kumar Bansal as Managing Director, Mr. Sanjay Chamanlal Shah as Whole-Time Director and Mr. Mayur Bhatt, as Whole-Time Director of the Company.

The Board of Directors on the recommendation of Nomination and Remuneration Committee of the Committee has approved, subject to approval of Members at ensuing Annual General Meeting, the remuneration to be paid to them for the period of 3

years. The brief profile of the appointee's along with the item wise explanatory statement of the Directors proposed to be re-appointed has been made part of the Notice of the Annual General Meeting read along with annexures to the Notice.

8. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6), Code for Independent Directors of the Companies Act, 2013 and of the Listing Regulations.

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

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

9. STATEMENT ON COMPLIANCE OF CODE OF CONDUCT:

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

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

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2023-24."

Mr. Mayur Bhatt
Whole-Time Director and CEO

10. BOARD AND THE COMMITTEE MEETINGS:

The Board of Directors met 6 (Six) times during the financial year 2023-24. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

As on March 31, 2024, the Board had four committees: the audit committee, the corporate social responsibility committee, the nomination and remuneration committee and the stakeholder's relationship committee. All committee comprise only Independent Directors, one of whom is chosen as the chairperson of the committee.

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

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

11. NOMINATION & REMUNERATION POLICY OF THE COMPANY:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a

policy for selection and appointment of Directors, Senior Management and their remuneration.

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

12. BOARD EVALUATION:

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

Having said that, the Company conducted the Board Evaluation process for the assessment of the performance of the entire Board, individual director

performance, performance of the Chairperson and review of management support to the Board.

The performance of the board was evaluated by the Directors after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

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

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

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

13. FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS:

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

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

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

14. DIRECTORS' RESPONSIBILITY STATEMENT:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

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

16. FRAUDS REPORTED BY THE AUDITOR:

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of

the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

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

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

18. DEPOSITS:

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

19. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

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

20. ANALYSIS OF REMUNERATION:

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

Names and Designation	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase/decrease in Remuneration
Ms. Rama Kohli (Independent Director)	Nil	Not Applicable
Mr. D. V. Giri (Independent Director)	Nil	Not Applicable
Mr. Sunil Dutt Bhatt (Independent Director)	Nil	Not Applicable
Mr. Anoop Kumar Bansal (Managing Director)	35.17 Times	66.67%
Mr. Mayur Bhatt (Whole-Time Director & CEO)	7.14 Times	No Change
Mr. Sunil Kumar Agarwal (Director)	Nil	No Change
Mr. Sanjay Shah (Whole-Time Director)	35.17 Times	66.67%
Mr. Anirudh Singhal (Chief Financial Officer)	9.28 Times	No Change
Mr. Pratik Jain (Company Secretary)	3.06 Times	10%

The median remuneration of employees of the Company during the financial year was ₹ 1,89,101 p.a. Please note that only those persons who were employees as on March 31, 2024 have been considered for the calculation of the median salary.

(C) Percentage increase in the median Remuneration of Employees	Increase of 0.64%
(D) Number of permanent Employees on the rolls of Company	153 as on March 31, 2024
(E) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	Median Salary of non-managerial staff has increased by 10%. The average salary of managerial staff has increase by 28%
(F) Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company

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

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

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

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

22. CORPORATE GOVERNANCE REPORT:

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

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Regulation 34 read with Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Management Discussion & Analysis Report is annexed to this report on page no. 26 forms part of the Annual Report.

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company believes in giving back to society in some measure that is proportionate to its success in business. In view of this, the Company's Corporate Social Responsibility (CSR) aims to extend beyond charity and enhance social impact. In this direction, the Company's CSR Committee steers us and as per the Annual Action Plan, the said committee had approved the areas of Health, Education, Rural Development and

Environmental Sustainability. CSR has been an integral part of the way the Bansal Group conducts its business since its inception.

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

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

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

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

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

A. Particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable. The Company is not energy intensive. However, keeping in view the alternative sources of energy available to the Company and for achieving the sustainability goals of the Company, the Board of Directors of your Company at their Board Meeting held on November 11, 2022 approved the installation of roof-top solar power plant. This 400 KW roof-top solar power plant has now been commissioned. This renewable energy source will not only help substitute a portion of our energy consumption but also result in approximately a 50% reduction in electricity expenses due to captive consumption. Further, the Company's technology is indigenously developed and being constantly upgraded.

B. Foreign exchange earnings and Outgo:

(in ₹)

Particulars	As on March 31, 2023	As on March 31, 2024
Foreign Exchange Earnings (Export)	675,928,492.27	443,103,844.92
Foreign Exchange Outgo (Import)	730,632,609.00	654,651,117.00

26. RISK MANAGEMENT:

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

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

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

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

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

28. MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS:

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

29. AUDITORS:

29.1. Statutory Auditors':

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

29.2. Secretarial Auditors':

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s Nilesh A. Pradhan & Co. LLP, Company Secretaries (COP. No. 3659) to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2024.

29.3. Cost Auditors':

Pursuant to the provisions of Section 148 of Companies Act, 2013 and the rules made thereunder, the Company has appointed Mr. Gajadhar Prasad, Cost Accountants (Membership No. 39559) to undertake the Cost Audit of the Company for the Financial Year ended March 31, 2024.

The Board on the recommendation of Audit Committee of the Company, have appointed M/s. Gajadhar Prasad and Co., Cost Accountants (Membership No. 39559) as Cost Auditors to conduct Cost Audit for the Financial Year ended March 31, 2025, the remuneration to be paid to Cost Auditors is proposed to be approved by the members at the upcoming Annual General Meeting of the Company.

30. SECRETARIAL AUDIT REPORT:

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

31. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS:

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

32. DISCLOSURE REQUIREMENTS:

32.1. As per SEBI Listing Regulations, the Corporate Governance Report with the Auditors' Certificate thereon, and the Management Discussion and Analysis form part of the Directors' Report.

32.2. The Company properly complies with the provision of all applicable Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by the Institute of Company Secretaries of India.

33. DIVIDENDS LYING IN THE UNPAID DIVIDEND ACCOUNT:

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

Sr. No.	Type of Dividend and Year	Amount (in ₹)	Year in which it will get transferred to IEPF
1.	Final Dividend 2016-17	2,000	2024
2.	Final Dividend 2018-19	26,000	2026
3.	Final Dividend 2019-20	32,450	2027
4.	Final Dividend 2020-21	76,600	2028
5.	Interim Dividend 2021-22	3,683	2029
6.	Final Dividend 2021-22	7,775	2029
7.	Interim Dividend 2022-23	19,826	2030
8.	Final Dividend 2022-23	135,832	2030
9.	Interim Dividend 2023-24	141,569	2031

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

Shareholders are requested to note that dividend declared by the Company during the financial year 2016-17, which remained unpaid/unclaimed for a period of seven years will be transferred to the account maintained by the IEPF Authority on or after September 06, 2024. The Company is making all the efforts to deliver individual notices/intimations to the shareholders through post or email. Concerned shareholder of the Company may claim dividend declared during the financial year 2016-17, up to September 01, 2024, failing which the Company in compliance with the said Rules shall transfer the unpaid/unclaimed dividend for FY 2016-17.

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

34. ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual return as on March 31, 2024 is available on the Company's website on www.sarthakmetals.com.

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

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

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

The Company has not made any application nor any proceeding under the Insolvency and Bankruptcy Code, 2016 is pending, hence this disclosure is not applicable to the Company.

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

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

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

At Sarthak, our goal has been to create an open and safe workplace where each and every employee

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

39. ACKNOWLEDGEMENTS:

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

Date: July 12, 2024
Place: Bhilai (C.G.)

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

Sd/-
Anoop Kumar Bansal
Managing Director
DIN: 01661844

Annexure A

Corporate Governance Report

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

We at Sarthak, believe that corporate governance is about internalizing and manifesting a firm commitment to the adoption of ethical Practices across the Company to deliver value in all of its transactions with a wide group of stakeholders encompassing of associates, customers, vendors, regulators and shareholders at all times. It is in this background that the Company whole heartedly embraces good governance practices. The Company believes that corporate governance is an integral means for the existence of the Company. It ensures adherence to the moral and ethical values, legal and regulatory framework and the adoption of good practices beyond the realms of law.

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

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

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

Your directors feel extremely privileged to lead the Organisation and create a long-term value for the Shareholders. The rights of the Shareholders are considered as sacrosanct and in this Direction your Company had taken many steps like sending the Annual Report at least a month before the Annual General Meeting, providing e-Voting facilities, making disclosures to the shareholders in compliance with letter and spirit of the law to the stock exchanges from time to time, thereby keeping the shareholders well informed.

2. BOARD OF DIRECTORS:

2.1. Composition:

- i. The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the Listing Regulations. As on March 31, 2024, the Board of your Company consisted of 7 (Seven) Directors, including three Whole-Time Executive Directors (including Managing Director and Chief Executive Officer), 1 (one) Non-Executive Non-Independent Professional Director as a chairman and 3 Independent Directors (including women director).
- ii. None of the Directors on the Board:
 - holds directorship in more than ten public companies;
 - serves as Director or as Independent Directors in more than seven listed entities; and
 - who are the Executive Directors and serves as Independent Directors in more than three listed entities.

None of the Directors is holding any Committee position in other public companies as on March 31, 2024 and the Directors are also not related to each other.

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

- iv. The names and categories of the directors on the Board and other relevant information as on March 31, 2024 are as under:

Name of Directors and DIN	Category	No. of other directorships held*	Member/ Chairman of the Board Committees	No. of shares held in the Company
Mr. Sunil Kumar Agarwal (Chairman) DIN: 08680582	Non-Independent, Non-Executive Professional Director	-	-	50,000
Mr. Anoop Kumar Bansal (Managing Director) DIN: 01661844	Promoter – Executive Director	-	-	1,145,250
Mr. Sanjay Chamanlal Shah (Whole-Time Director) DIN: 00350967	Promoter – Executive Director	-	-	580,950
Mr. Mayur Bhatt (Whole-Time Director and Chief Executive Officer) DIN: 07586457	Non-Promoter Executive Director	1*	-	454,050
Mr. Dwadasi Venkata Giri DIN: 02565046	Independent, Non-Executive Director	-	3	-
Ms. Rama Kohli DIN: 01835824	Independent, Non-Executive Director	-	3	-
Mr. Sunil Dutt Bhatt DIN: 09263587	Independent, Non-Executive Director	-	3	-

*Including private limited companies but excluding the Company.

The Directors are not related to each other.

2.2. Board Meetings:

The Board of Directors are provided with the requisite information mentioned in the Listing Regulations well before the Board meetings. Six meetings of the Board of Directors were held during the year ended March 31, 2024 and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

- i. May 26, 2023
- ii. July 06, 2023
- iii. August 11, 2023
- iv. November 07, 2023
- v. December 12, 2023
- vi. February 08, 2024

The necessary quorum was present for all the meetings.

The attendance record of the Directors at the Board Meetings during the year ended on March 31, 2024 and at the last Annual General Meeting is as under:

Names of Directors	No. of Board Meetings attended	Last AGM attended
Mr. Sunil Kumar Agarwal	5	Yes
Mr. Anoop Kumar Bansal	6	Yes
Mr. Sanjay Chamanlal Shah	5	Yes
Mr. Mayur Bhatt	6	Yes
Mr. Dwadasi Venkata Giri	6	Yes
Ms. Rama Kohli	2	Yes
Mr. Sunil Dutt Bhatt	4	No

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

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

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

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

Sr. No.	Name of Director	Qualification and Experience
1.	Mr. Sunil Kumar Agrawal	B.E. (Hons) (Mechanical) He served as Divisional Railway Manager, Nagpur, and as Chief Commercial Manager, SEC Rly, Chief Operating Manager South Central Railway, Hyderabad and as an Additional Member, Ministry of Railways, (equivalent to Additional Secretary to Govt. of India).
2.	Mr. Anoop Kumar Bansal [#]	Bachelor of Commerce and has more than 27 years of experience in the business and industry.
3.	Mr. Sanjay Chamanlal Shah [#]	First Year of Bachelor of Commerce and having more than 38 years of experience in the business and industry and he is heading the Sales & Marketing division of our Company.
4.	Mr. Mayur Bhatt [#]	Bachelor in Arts and Diploma in Electrical Engineering and having more than 19 years of experience in the industry.
5.	Mr. Dwadasi Venkata Giri	Masters of Commerce, LL.B and CA IIB and has vast experience in banking and finance domain.
6.	Ms. Rama Kohli	Bachelor in Science and PGDBM and having experience in business advisory activities.
7.	Mr. Sunil Dutt Bhatt	Bachelors in Engineering and Masters of Science in Statistical and Metallurgical Engineering and having more than 35 years of experience in department of Instrument and weighment in Bhilai Steel Plant.

[#]The Managing Director, Whole-Time Directors re-appointment are to be approved at the ensuing Annual General Meeting.

2.4. Independent Directors:

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

The Company's Independent Directors met on 8th day of February, 2024 without the presence

of the management and other Non-Executive Directors. Independent Directors discussed matters pertaining to the Company's affairs and reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company and shared their views/suggestions with Chairman and Managing Director and with the Board of Directors.

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

2.5. Code of Conduct:

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

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

"I hereby confirm that the Company has obtained from all the members of the Board and senior executives, affirmation that they have complied with the Code of Conduct for Board of Directors and senior executives in respect of Financial Year 2023-24."

Mr. Mayur Bhatt
Whole-Time Director and CEO

Committees of the Board

There are four Board Committees as on March 31, 2024, details of which are as follows:

3. AUDIT COMMITTEE:

Brief description of terms of reference:

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

- a. Oversight of financial reporting process.
- b. Reviewing with the management, the quarterly and annual financial statements and auditors' report thereon before submission to the Board for approval.
- c. Evaluation of internal financial controls and risk management systems.
- d. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- e. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- f. Approval or any subsequent modification of transactions of the Company with related parties.

3.2. Composition, name of members and chairperson:

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

3.3. Meetings and attendance during the year:

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

1. May 26, 2023
2. July 06, 2023
3. August 11, 2023
4. November 07, 2023
5. February 08, 2024

Requisite quorum was present during the meetings.

Names of Directors	No. of Audit Committee Meetings attended
Mr. Dwadasi Venkata Giri	5
Ms. Rama Kohli	2
Mr. Sunil Dutt Bhatt	5

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

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

The previous AGM of the Company was held on August 21, 2023 and was attended by Mr. D.V. Giri, Chairman of the Audit Committee.

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

4.1. Brief description of terms of reference:

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

- a. Recommend to the Board the setup and composition of the Board and its Committees.

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

4.2. Composition, name of members and chairperson:

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

4.3. Meetings and attendance during the year:

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

- i. May 26, 2023

Requisite quorum was present during all the meetings.

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

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.
- The previous AGM of the Company held on August 21, 2023 and was attended by Mr. D.V. Giri, Chairman of the NRC.

4.4. Performance evaluation criteria for Independent Directors:

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

For more details refer point no. 12 of Directors' Report.

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

5.1. Brief description of terms of reference:

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

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

5.2. Composition, name of members and chairperson:

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

5.3. Meeting and attendance during the year:

One meeting of Stakeholders Relationship Committee was held during the year under review on May 26, 2023 requisite quorum was present during the meeting.

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

The Company received 4 complaints during the year, and all the complaints were resolved by the Company. The complainants were fully satisfied with the complaints and at the end of the Financial Year ended there was no pending complaints.

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Stakeholders Relationship Committee and is the Compliance Officer for the requirements of SEBI Listing Regulations.
- The previous AGM of the Company held on August 21, 2023 and was attended by Mr. D.V. Giri, Chairman of the SRC.
- The Committee is spearheaded by Mr. Dwadasi Venkata Giri, Non-Executive Independent Director.

6. SENIOR MANAGEMENT:

The following persons constitute the senior management of the Company:

i.	Mr. Manoj Kumar Bansal	President
ii.	Mr. Gaurav Agarwal	General Manager (Import and Export)
iii.	Mr. RSN Murty	General Manager (Marketing)
iv.	Mr. Sarthak Bansal	Deputy General Manager (Purchase)
v.	Mr. Samarth Bansal	Deputy General Manager (Plant)
vi.	Mr. Sagar Shah	Vice President (Purchase and Sales)
vii.	Mr. Narendra Dewangan	Head Accountant

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

7.1. Brief description of terms of reference:

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

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

7.2. Composition, name of members and chairperson:

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

7.3. Meetings and attendance during the year:

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

- May 26, 2023
- August 11, 2023
- November 07, 2023
- February 08, 2024

Requisite quorum was present during the meetings.

Names of Directors	No. of Corporate Social Responsibility Committee Meetings attended
Mr. Dwadasi Venkata Giri	4
Ms. Rama Kohli	2
Mr. Sunil Dutt Bhatt	4

- Mr. Pratik Jain, Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.
- The previous AGM of the Company held on August 21, 2023 and was attended by Mr. D.V. Giri, Chairman of the CSR Committee.

8. REMUNERATION OF DIRECTORS:

8.1. Remuneration Policy:

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

The remuneration of the Executive Directors, KMPs and Senior Management Personnel is based on Company's financial position, industrial trends and remuneration paid by peer companies. Remuneration to Executive Directors is paid by way of salary (including fixed pay and variable pay) and perquisites based on recommendation of the Nomination and Remuneration Committee and approval of the Board and Shareholders. The Non-Executive Directors are paid remuneration by

way of sitting fee for attending the meetings of the Board and Committees thereof. No stock options were granted to the Directors of the Company during the year under review. The appointment of the Executive Directors is governed by the resolutions passed by the Board and the shareholder of the Company read with the service rules and regulations of the Company.

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

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

8.2. Details of Remuneration paid to Directors during the financial year ended March 31, 2024:

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

a) Executive Directors:

(₹ in Lakhs)

Name of the Director	Designation	Salary	Perquisites and Allowances	Retiral Benefits	Bonus	Total	Stock Options Granted
Mr. Anoop Kumar Bansal	Managing Director	60.00	Nil	Nil	6.50	66.50	Nil
Mr. Sanjay Chamanlal Shah	Whole-Time Director	60.00	Nil	Nil	6.50	66.50	Nil
Mr. Mayur Bhatt*	Whole-Time Director	12.00	Nil	Nil	1.50	13.50	Nil

*Also holds the office of CEO.

Contract Period*:

1. Mr. Anoop Kumar Bansal – Five years from August 21, 2024.
2. Mr. Sanjay Chamanlal Shah – Five years from August 21, 2024.
3. Mr. Mayur Bhatt – Five years from August 21, 2024.

*The contract period has been approved by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee at their meetings held on May 22, 2024 which is subject to approval by the shareholders at the ensuing Annual General Meeting of the Company.

Mr. Anoop Kumar Bansal, Whole-Time Director, who is liable to retire by rotation and being eligible offers himself for re-appointment at ensuing Annual General Meeting.

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

b) Non-Executive Directors:

Particulars of commission/sitting fee paid to the Non-Executive Directors during financial year ended March 31, 2024 are as follows:

(₹ in Thousands)

Name of the Director	Sitting fees	Commission	Total
Mr. Sunil Kumar Agrawal	100.00	Nil	100.00
Ms. Rama Kohli	40.00	Nil	40.00
Mr. Dwadasi Venkata Giri	120.00	Nil	120.00
Mr. Sunil Dutt Bhatt	120.00	Nil	120.00

No commission has been paid to the Non-Executive Directors. There is no pecuniary relationship or transactions between the Company and Non-Executive Directors during the financial year 2023-24.

9. GENERAL BODY MEETINGS:

9.1. The last three Annual General Meetings were held at the registered office of the Company at B.B.C. Colony, G.E. Road, Khursipar, Bhilai, Chhattisgarh-490011 except the immediate last Annual General Meeting held in the Year 2023 at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 and the details of Special Resolutions passed thereat are as under:

Year	Date	Day	Time	Special Resolutions passed
2021	September 14, 2021	Tuesday	11:00 A.M.	-
2022	September 05, 2022	Monday	11:00 A.M.	#Refer notes below
2023	August 21, 2023	Monday	12:00 noon	* Refer notes below

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

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

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

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

9.2. No Special Resolution was passed during the financial year 2020-21 through postal ballot.

10. MEANS OF COMMUNICATION:

i. Quarterly Results	The quarterly, half yearly and yearly financial results of the Company are submitted with the stock exchanges after they are approved by the Board. These are also published in the Newspapers, in the prescribed format as per the provisions of the SEBI LODR.
ii. Newspaper wherein results normally published	Economic Times, Financial Express and Shram Bindu (Vernacular) newspaper for the year 2023-24.
iii. Any website, where displayed	www.sarthakmetals.com
iv. Whether it also displays official news releases	The Company gives Press Releases to the stock exchanges and displays the same on its website.
v. The presentations made to institutional investors or to the analysts	The Company holds Analysts'/Investors Meetings from time to time. The presentations made at the said meetings are uploaded on Company's website. The necessary intimation in terms of Regulation 30 of SEBI LODR is also made to the stock exchanges.
vi. NSE Electronic Application Processing System (NEAPS)	The NEAPS is a web-based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.
vii. BSE Corporate Compliance & Listing Centre (the "Listing Centre")	BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.
viii. SEBI Complaint Redressal System (SCORES)	The investor complaints are processed in a centralized web-based complaint redressal system.
The salient features of this system are:	
Centralized Data Base of all complaints, online upload of Action Taken Report (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.	

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

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

11. GENERAL SHAREHOLDER INFORMATION:

11.1. Details of General Meeting:

Annual General Meeting	
Date	Tuesday, August 20, 2024
Time	12:00 noon
Venue	Hotel Ashish International, G.E. Road, Bhilai Power House – 490011
Financial Year	2023-24
Date of Book Closure	As mentioned in the Notice of this AGM

11.2. Listing on Stock Exchanges:

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

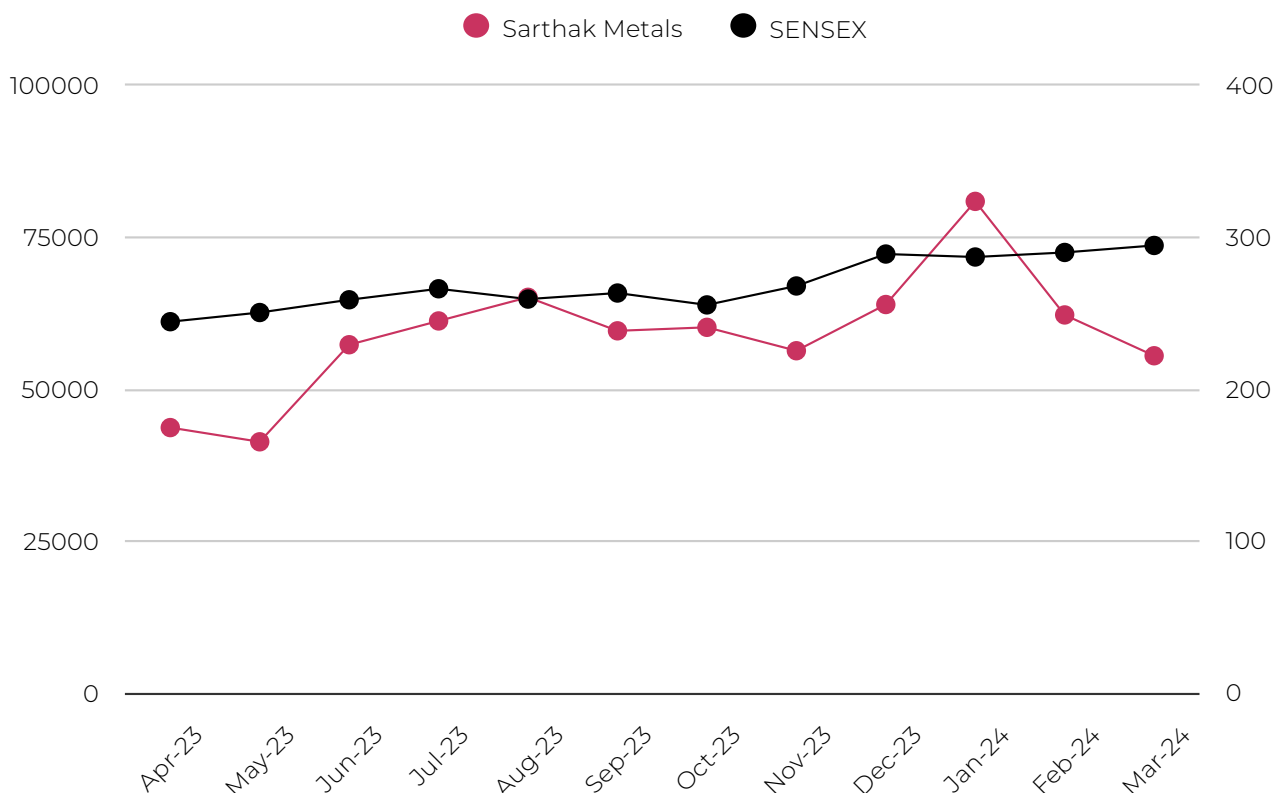
Name and address of the Stock Exchange	Stock Code
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	540393
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	SMLT
ISIN (International Securities Identification Number): INE017W01010	

No Security of the Company has been suspended from trading on any of the stock exchanges where they are listed. The Company has paid Annual Listing Fees to BSE Limited and to the National Stock Exchange of India Limited, Mumbai, for the equity shares for the Financial Year 2024-25.

11.3. Market price data - high, low during each month in last financial year:

Date	BSE: 540393		NSE: SMLT	
	BSE - High	NSE - Low	NSE - High	NSE - Low
Apr 2023	186	163	186	162
May 2023	207	155	193	155
Jun 2023	248	164	246	164
Jul 2023	285	210	282	210
Aug 2023	274	224	276	226
Sep 2023	274	220	274	217
Oct 2023	260	207	259	211
Nov 2023	269	185	244	202
Dec 2023	270	225	270	224
Jan 2024	330	245	328	245
Feb 2024	449	241	448	240
Mar 2024	264	207	267	204

11.4. Performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc:



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

Bigshare Services Pvt. Ltd.
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093.
E-mail ID: sandeep@bigshareonline.com
Contact number: +91 7045454395

11.6. Share transfer system:

As per SEBI Listing Regulations and directions issued by SEBI, effective from April 01, 2019, the securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior to April 01, 2019 and returned due to deficiency in the document. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

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

11.7. Reconciliation of Share Capital Audit:

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

11.8. Distribution of shareholding:

Shareholding pattern as on March 31, 2024:

Sr. No.	Category	No. of Shares	Percentage
1.	Promoter and Promoter Group	9,485,807	69.29
2.	Banks/MF's/FI's/Ins. Cos./NBFCs/AIF's	-	-
3.	Foreign Portfolio Investors	81,218	0.59
4.	Overseas Corporate Bodies	-	-
5.	Bodies Corporate	266,864	1.95
6.	Individual NRI's	218,460	1.60
7.	Resident Individuals	2,790,093	20.38
8.	IEPF Authority	-	-
9.	Others	847,308	6.19
Total*		13,689,750	100.00

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

Shareholding of Nominal Value (in ₹)	Shareholder		No. of Shares	
	Number	% of Total	Number	% of Total
Up to 5000	10,014	89.90035	847,792	6.19
5,001 - 10,000	562	5.0453362	425,163	3.11
10,001 - 20,000	295	2.6483526	444,310	3.25
20,001 - 30,000	85	0.7630847	214,583	1.57
30,001 - 40,000	57	0.5117156	207,740	1.52
40,001 - 50,000	30	0.269324	141,256	1.03
50,001 - 1,00,000	37	0.3321663	265,421	1.94
1,00,001 and above	59	0.5296705	11,143,485	81.40
Total	11,139	100.00	13,689,750	100.00

11.9. Dematerialization of shares and liquidity:

The Company has arrangement with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares. As on March 31, 2024, the Company has 100% shareholding including that of promoters in dematerialized form.

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

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

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

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

11.11. Our manufacturing unit's location:

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

11.12. Address for correspondence:

Sarthak Metals Limited

Registered Office Address:

BBC Colony, G.E Road,
Khursipar, Near Bhilai ITI,
Bhilai,
Chhattisgarh - 490011
India.

Tel: +91-9303773708

E-mail ID: cfo@sarthakmetals.com
cs@sarthakmetals.com

11.13. Credit Ratings:

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

12. OTHER DISCLOSURES:

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

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

None of the transactions with any of the related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 27 of standalone financial statements forming part of the Annual Report and also the explanatory statement No. 4 of Notice of the Annual General Meeting.

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

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

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

Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation 34(1)(a) of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015 states that the listed entity shall submit to the stock exchange and publish on its website a copy of the annual report sent to the shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders
Regulation/Circular No.	Regulation 34 of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015
Deviations	Delayed submission of Annual Report for the year 2022-23 to the National Stock Exchange of India Limited (NSE)
Action Taken by	National Stock Exchange of India Limited
Type of Action	Fine imposed as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020, which specifies Standard Operating Procedure (SOP) for imposing fines in case of non-compliance with Listing Regulations
Details of Violation	Delayed submission of Annual Report to the National Stock Exchange of India Limited
Fine Amount	191,160/- (The fine is waived by NSE vide its letter dated April 14, 2024)
Observations/Remarks of the Practicing Company Secretary	There was delay of 81 days in submission of Annual Report to the National Stock Exchange of India Limited and the Company has submitted the same to NSE on October 12, 2023

Management Response	The delay in submission of Annual Report is due to technical issues and there was no malafide intention on the part of the Company as the Company have submitted the Annual Report on BSE on the date of dispatch (21 st day of July, 2023) and uploaded the same on the website of the Company. The Company has also submitted the Notice of Annual General Meeting to the NSE on July 21, 2023. The Company has applied for waiver of fine imposed by NSE which was approved by NSE vide its letter dated April 14, 2024
Remarks	The Company has taken necessary corrective action and informed that it will ensure all the compliances will be completed as per applicable timeline in future
Status	The fine is waived by NSE vide its letter dated April 14, 2024

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

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

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

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

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

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

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

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

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

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

The Company has complied with the all the mandatory requirements during the Financial Year 2023-24.

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

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

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

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

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

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

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

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

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

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

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

The Company has paid ₹ 638,000/- to the Statutory Auditors of the Company towards Statutory Audit and Tax Audit.

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

12.14. There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of SEBI Listing Regulations where they have any personal interest that may have a potential conflict with the interest of the Company at large requiring disclosure by them to Board of Directors of the Company. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 27 of standalone financial statements forming part of the Annual Report.

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

12.16. Pursuant to the requirement of Regulation 30 of SEBI Listing Regulations, the Company would like to inform that no agreements(s) have been entered with the media companies and/or their associates which has resulted/will result in any kind of shareholding in the Company and consequently any other related disclosures viz. details of nominee(s) of the media companies on the

Board of the Company, any management control or potential conflict of interest arising out of such agreements etc. are not applicable. The Company has not entered into any other back-to-back treaties/contracts/agreements/MoU's or similar instruments with the media companies and/or their associates.

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

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

Shareholders are requested to note that dividend declared by the Company during the financial year 2016-17, which remained unpaid/ unclaimed for a period of seven years will be transferred to the account maintained by the IEPF Authority on or after 06th September, 2024. The Company is making all the efforts to deliver individual notices/ intimations to the shareholders through post or email. Concerned shareholder of the Company may claim dividend declared during the financial year 2016-17, up to 01st September, 2024, failing which the Company in compliance with the said Rules shall transfer the unpaid/ unclaimed dividend for FY 2016-17.

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

The Company as on date of this report has not transferred any amount to IEPF as no amount is liable to be transferred.

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

The Company during the Financial Year 2023-24 has not adopted any of the discretionary requirements as specified in Part-E of Schedule II.

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

Corporate Governance Certificate

To
The Members
Sarthak Metals Limited

We have examined the compliance of conditions of Corporate Governance by Sarthak Metals Limited ("the Company"), for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the explanation given to us by the Company the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on March 31, 2024.

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

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

Prajakta V. Padhye

Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478F000716890

Place: Mumbai

Date: July 12, 2024

Disqualification Report

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

To

The Members

Sarthak Metals Limited

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

In our opinion and to the best of our information and according to the verifications (including verification of Director Identification Number status at the portal www.mca.gov.in) and the relevant disclosures provided the by the Directors (as mentioned in below table) to the Company, we hereby certify that none of the Directors on the Board of the Company as stated below as on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such other statutory authority.

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

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

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

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

Prajakta V. Padhye

Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478F000716879

Place: Mumbai

Date: July 12, 2024

CEO & CFO Certification

The Board of Directors,
Sarthak Metals Limited,
Bhilai - Chhattisgarh

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

1. We have reviewed the Balance Sheet as at March 31, 2024, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2024.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The Financial Statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Indian Accounting Standards (Ind AS).
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the Financial Statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct).
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Date: July 12, 2024
Place: Bhilai (C.G.)

Mayur Bhatt
Chief Executive Officer
PAN: ANIPB5781C

Anirudh Singhal
Chief Financial Officer
PAN: BELPS2753A

Annexure B

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

Salient features of the Policy:

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

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

Note:

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

Annexure C

FORM - AOC-2

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

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

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

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

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (in ₹), if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any	
M/s Bansal Bothers	Enterprises over which significant Influence exists & A firm in which Director and KMP is Partner	Purchase Raw Material	Recurring (Annual)	Purchase Raw Material 128,831,896	26/05/2023	Nil
		Sales of Ferro Alloys		Sales of Ferro Alloys 37,032,927		
		Repair & Maintenance Machine		Repair & Maintenance Machine 100,974		
		Factory Shed & Building		Factory Shed & Building 2,320,842		
		Consumable Packing Goods		Consumable Packing Goods 449,280		
	Plant & Machinery		Plant & Machinery 420,768			

Annexure D

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company:

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

In line with Sarthak's Vision, through its CSR initiatives, it will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

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

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

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

2. The composition of the CSR committee:

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

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

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

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable

The provisions of Impact assessment as mandated under sub-rule (3) of rule 8 of the Companies, (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company as the obligation of the Company towards CSR is less than 10 crores in the three immediately preceding financial years.

5. (a) Average net profit of the Company as per Section 135(5) of the Act: ₹ 2892.44 Lakhs.
- (b) Two percent of average net profit of the Company as per Section 135(5) of the Act: ₹ 57.84 Lakhs.
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year (7a+7b-7c): ₹ 57.84 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

(₹ in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135 (6) of the Act			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act	
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 58.56	Nil	-	-	Nil	-

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(9)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area Yes/No	Location of the project State District	Amount spent for the project (in ₹)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation- Through Implementing Agency Name CSR Registration Number
1.	Wakankar Bharati Sanskruti	(ii)	No	M.P. Ujjain	150,000	No	Wakankar Bharati Sanskruti Anveshan Nyas CSR00047809
2.	Sai Netraheen Sewa Sanstha	(i)	No	Delhi New Delhi	200,000	No	Sai Netraheen Sewa Sanstha CSR00008773
3.	Hare Krishna Movement	(i)	Yes	C.G. Raipur	200,000	No	Hare Krishna Movement CSR00047880
4.	Friends of Tribals Society	(x)	Yes	C.G. Raipur	506,000	No	Friends of Tribals Society CSR00001898
5.	Bhagwan Mahavir Jain Relief Trust	(i)	Yes	C.G. Raipur	3,300,000	No	Bhagwan Mahavir Jain Relief Trust CSR00026129
6.	Agrocrats Society for Rural Development	(x)	Yes	C.G. Raipur	500,000	No	Agrocrats Society for Rural Development CSR00036923
7.	Ram Astha Mission Foundation	(iv)	Yes	C.G. Durg	1,000,000	No	Ram Astha Mission Foundation CSR00073448

(d) Amount spent in Administrative Overheads: Nil

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 58.56 Lakhs

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

Sr. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135 (5)	57.84
(ii)	Total amount spent for the Financial Year	58.56
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.72
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.72

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

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

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

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

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

- (a) Date of creation or acquisition of the capital asset(s): None
- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: Not Applicable

Place: Bhilai (C.G.)
Date: July 12, 2024

Anoop Kumar Bansal
Managing Director
DIN: 01661844

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

Annexure E

Secretarial Audit Report

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

For The Financial Year Ended March 31, 2024

To,
The Members,
Sarthak Metals Limited
B.B.C Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh-490011.

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by "the Company" and submitted by the Company for verification through electronic mode and also the information provided by "the Company", its officers, agents authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us, We hereby report that in our opinion, the Company, during the audit period covering the financial year ended March 31, 2024 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended March 31, 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and External Commercial Borrowings;
- v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable as the Company has not issued any Share based Employee Benefits during the financial year under review)
 - (e) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable as the Company has not issued any further share capital during the financial year under review)
 - (f) The Securities and Exchange Board of India; (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable as the Company has not delisted/proposed to delist any of its securities during the financial year under review) and

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable as the Company has not bought back/proposed to buy back any of its securities during the financial year under review).

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

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

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

1. As per Regulation 34(1)(a) of the of the SEBI (Listing and Obligations Disclosure Requirements), Regulations, 2015 it is mandatory that the listed entity shall submit to the stock exchange and publish on its website a copy of the annual report sent to the shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders. There was delay of 81 days in submission of Annual Report to the National Stock Exchange of India Limited (NSE). The fine imposed by the NSE for delayed submission was waived by the NSE vide their letter dated April 14, 2024.

I further report that:

The Board of Directors of the Company was duly constituted with proper balance of

Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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

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

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

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

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

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

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

Prajakta V. Padhye

Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478F000716857

Place: Mumbai

Date: July 12, 2024

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

Annexure-I

To,
The Members,
Sarthak Metals Limited
B.B.C Colony, Khursipar, G.E. Road,
Bhilai, Chhattisgarh-490011.

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

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

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

Prajakta V. Padhye

Partner

FCS No.: 7478

CP No.: 7891

PR No.: 1908/2022

UDIN: F007478F000716857

Place: Mumbai
Date: July 12, 2024

Independent Auditors' Report

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

OPINION

We have audited the standalone financial statements of **M/s SARTHAK METALS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory informations.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

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

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

MANAGEMENT'S RESPONSIBILITY 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 financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the

financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

AS PART OF AN AUDIT IN ACCORDANCE WITH SAS, WE EXERCISE PROFESSIONAL JUDGMENT AND MAINTAIN PROFESSIONAL SKEPTICISM THROUGHOUT THE AUDIT. WE ALSO:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in

accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable;
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act;
- VI. Based on our examination which included test checks except for the instances/matters mentioned below, the Company in respect of financial year commencing on April 01, 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For, BEGANI & BEGANI

Chartered Accountants
(FRN: 010779 C)

(SANKALP SOHANEY)

Partner
M.No.: 434993
UDIN: 24434993BKBPDZ7890

Date: May 22, 2024

Place: RAIPUR (C.G.)

"Annexure A"

To the Auditors Report

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

We have audited the internal financial controls over financial reporting of **SARTHAK METALS LIMITED (Formerly known as Sarthak Metals Marketing Private Limited)** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, BEGANI & BEGANI

Chartered Accountants
(FRN: 010779 C)

(SANKALP SOHANEY)

Partner

M.No.: 434993

UDIN: 24434993BKBPDZ7890

Date: May 22, 2024

Place: RAIPUR (C.G.)

"Annexure B"

To the Independent Auditor's Report

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deeds/transfer deeds/conveyance deeds provided to us, we report that immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
 - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate from banks or financial institutions on the basis of security of current assets and Monthly/Quarterly Returns filed are in agreement with Books of Accounts of the Company.
- iii. The Company has made investments & has provided Loans to Companies during the year, in respect of which:
 - (a) The Company has not provided loans or advances in the nature of loans.
 - (b) The Company has not provided any loans or advances in the nature of loans.
 - (c) The Company has not provided any loans or advances in the nature of loans, hence there is no overdue amount remaining outstanding as at the balance sheet date.
 - (d) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 - (e) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

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

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

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

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Income Tax	1,015,610/-	2017-18	Commissioner Appeals

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

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

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

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

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

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

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

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

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

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

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

xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related

party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

For, BEGANI & BEGANI

Chartered Accountants
(FRN: 010779 C)

(SANKALP SOHANEY)

Partner
M.No.: 434993
UDIN: 24434993BKBPDZ7890

Date: May 22, 2024

Place: RAIPUR (C.G.)

Balance Sheet

As at March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2A	1,513.09	1,103.76
Capital work-in-progress	2B	17.73	171.36
Intangible Assets	3	1.21	1.99
Financial Assets			
Other Financial Assets	4	36.99	149.91
Total Non-current assets		1,569.02	1,427.02
Current Assets			
Inventories	5	2,003.34	1,454.46
Financial Assets			
Trade Receivables	6	3,974.34	5,305.71
Cash and Cash Equivalents	7	1,637.54	733.30
Other Balances with Banks	8	1,905.20	783.53
Other Current Assets	9	903.71	1,294.66
Total Current Assets		10,424.13	9,571.66
Total Assets		11,993.15	10,998.68
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	1,368.98	1,368.98
Other Equity	11	10,239.78	9,130.30
Total Equity		11,608.75	10,499.27
LIABILITIES			
Non-Current Liabilities			
Provisions	12	103.22	84.99
Deferred Tax Liabilities (Net)	13	20.08	11.08
Total Non-Current Liabilities		123.30	96.06
Current Liabilities			
Financial liabilities			
Trade Payables	14		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		13.01	52.23
Other Current Liabilities	15	67.56	27.67
Provisions	16	110.52	85.50
Current Tax Liabilities (Net)	17	70.01	237.94
Total Current Liabilities		261.09	403.35
Total Liabilities		384.39	499.41
Total Equity and Liabilities		11,993.15	10,998.68

See accompanying notes to the financial statements

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2A-37

As per our report of even date attached

For, BEGANI & BEGANI
CHARTERED ACCOUNTANTS
(FRN: 010779C)

For and on behalf of Board of Directors of
SARTHAK METALS LIMITED

(SANKALP SOHANEY)
PARTNER
M.NO. 434993

(ANOOP KUMAR BANSAL)
MANAGING DIRECTOR
DIN: 01661844

(MAYUR BHATT)
WHOLE-TIME DIRECTOR & CEO
DIN: 07586457

Date: May 22, 2024
Place: RAIPUR (C.G.)
UDIN: 24434993BKBPDPZ7890

(PRATIK JAIN)
COMPANY SECRETARY

(ANIRUDH SINGHAL)
CFO

Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	18	30,517.35	40,842.59
Other Income	19	192.52	380.47
Total Income (I)		30,709.87	41,223.06
EXPENSES			
Cost of Materials Consumed	20	25,999.46	33,225.53
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	21	-133.34	387.28
Employee Benefits Expense	22	950.76	782.62
Finance Costs	23	78.27	133.98
Depreciation and Amortisation Expense	2 & 3	203.43	153.70
Other Expenses	24	1,714.71	2,438.52
Total Expenses (II)		28,813.29	37,121.63
Profit Before exceptional and extraordinary items and tax (I-II)		1,896.58	4,101.44
Exceptional items		-	-78.88
Profit Before tax (I-II)		1,896.58	4,022.55
Tax Expense			
(1) Current Tax		480.00	1050.00
(2) Deferred Tax	13	8.85	-3.79
(3) Current taxes relating to earlier years		24.90	-
Profit for the period		1,382.83	2,976.35
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		00.60	04.06
- Income tax (expense)/benefit related to items that will not be reclassified to Profit and loss		00.15	01.02
Total Other comprehensive income (Net of Tax)		00.45	03.04
Total Comprehensive income for the Year		1,383.28	2,979.38
Earnings per Equity Share of ₹ 100 Each	31		
Basic (in ₹)		10.10	21.74
Diluted (in ₹)		10.10	21.74
Significant accounting policies and Key accounting estimates and judgements	1		
Total Equity and Liabilities	2A-37		

As per our report of even date attached.

For, BEGANI & BEGANI
CHARTERED ACCOUNTANTS
(FRN: 010779C)

For and on behalf of Board of Directors of
SARTHAK METALS LIMITED

(SANKALP SOHANEY)
PARTNER
M.NO. 434993

(ANOOP KUMAR BANSAL)
MANAGING DIRECTOR
DIN: 01661844

(MAYUR BHATT)
WHOLE-TIME DIRECTOR & CEO
DIN: 07586457

Date: May 22, 2024
Place: RAIPUR (C.G.)
UDIN: 24434993BKBPDZ7890

(PRATIK JAIN)
COMPANY SECRETARY

(ANIRUDH SINGHAL)
CFO

Statement of Cash Flow

For the year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per Profit & Loss Account	1,896.58	4,022.55
Adjustment for		
Depreciation	203.43	153.70
Interest (Net)	-63.91	53.78
Provision for Employee Benefits	00.60	04.06
Provision Expected Credit Loss	-10.47	01.88
Loss/(profit) on sale of fixed assets	-13.44	-01.60
Loss/(profit) on sale of Investments	-	-25.38
	116.20	186.44
Operating Profit before Working Capital changes	2,012.78	4,209.00
Adjustment for		
Decrease/(Increase) in Inventories	-548.88	1,358.88
Decrease/(Increase) in trade receivables	1,341.84	376.40
Decrease/(Increase) in other current assets	390.95	-337.54
Decrease/(Increase) in other financial assets	112.92	19.63
Increase/(Decrease) in provisions	-124.67	-88.88
Increase/(Decrease) in trade payables	-39.23	-975.92
Increase/(Decrease) in current liabilities	39.88	-14.36
	1,172.81	338.22
Cash generated from Operations	3,185.59	4,547.22
Direct Taxes (Net)	-504.90	-1,050.00
Net Cash from Operating Activities	2,680.69	3,497.22
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Fixed Assets including Capital WIP	-469.80	-298.56
Proceeds from sale/Subsidy of fixed assets	24.90	01.90
Proceeds from sale of Investments	-	100.38
Interest Received	112.04	43.32
Net Cash used in Investing Activities	-332.86	-152.97
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed From Long Term Borrowing	-	-426.31
Other Short Term Borrowings	-	-1,806.76
Interest Paid	-48.13	-97.10
Dividend Paid	-273.80	-273.80
Net Cash from Financing Activities	-321.93	-2,603.97
Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	2,025.90	740.28
CASH AND CASH EQUIVALENTS AS AT April 01, 2023 (as per Note-'13')	1,516.83	776.55
CASH AND CASH EQUIVALENTS AS AT March 31, 2024 (as per Note-'13')	3,542.73	1,516.83
Increase/(decrease) in Cash and Cash equivalents	2,025.90	740.28

Notes:

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

As per our report of even date attached.

For, BEGANI & BEGANI
CHARTERED ACCOUNTANTS
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For and on behalf of Board of Directors of
SARTHAK METALS LIMITED

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(PRATIK JAIN)
COMPANY SECRETARY

(ANIRUDH SINGHAL)
CFO

Statement of Changes in Equity

For the year ended March 31, 2024

(₹ in Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at April 01, 2022	136.90	1,368.98
Changes in equity share capital during the year	-	-
As at March 31, 2023	136.90	1,368.98
Changes in equity share capital during the year	-	-
As at March 31, 2024	136.90	1,368.98

B. OTHER EQUITY

Particulars	Reserves and Surplus		Remeasurement of net defined benefit plan through OCI	Total
	Securities Premium Reserves	Retained Earnings		
Balance as on March 31, 2022	433.91	5,997.88	-7.08	6,424.71
Profit/(loss) for the year	-	2,976.35	-	2,976.35
Other Comprehensive Income/(loss)	-	-	3.04	03.04
Total Comprehensive Income for the year	433.91	8974.23	-4.04	9404.09
Dividends paid (incl. dividend distribution tax)	-	-273.80	-	-273.80
Transfer to General Reserves	-	-	-	-
Balance as on March 31, 2023	433.91	8,700.43	-4.04	9,130.30
Profit/(loss) for the year	-	1,382.83	-	1,382.83
Other Comprehensive Income/(loss)	-	-	0.45	00.45
Total Comprehensive Income for the year	433.91	10,083.26	-3.60	10,513.57
Dividends paid (incl. dividend distribution tax)	-	-273.80	-	-273.80
Transfer to General Reserves	-	-	-	-
Balance as on March 31, 2024	433.91	9,809.47	-3.60	10,239.78

Significant Accounting Policies and Explanatory Notes to Financial Statements

Company Profile

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

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation

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

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

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

Current versus non-current classification

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

1.2 Use of Estimates and Judgments

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

The estimates and judgments used in the preparation of the Financial statements are

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

1.3 Material accounting policy information

(a) Property, Plant & Equipment

Measurement at recognition

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

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

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

Capital work-in-progress and Capital advances

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

Depreciation and Amortisation

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

Leasehold improvements are amortized over the period of the lease.

The Estimated useful lives of the assets are as follows:

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

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

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

(b) Intangible Assets

Measurement at recognition

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

The Company had elected to consider the carrying value of all its intangible assets appearing in the financial statements prepared in accordance with Accounting Standards notified under the Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on April 01, 2020.

Amortization

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on

intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Asset Class	Useful Life
Computer Software	6 years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

(c) Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract,

net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

Export Incentive

Income from Export Incentives are recognised on an accrual basis to the extent the ultimate realisation is reasonably certain.

(d) Other Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

(e) Inventories

Raw materials components stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials components and stores and spares is determined on FIFO basis.

Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials. Cost of finished goods includes GST. Cost is determined on FIFO basis.

Traded goods are valued at estimated cost based on the selling price of the stock based on the past practice.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

(f) Financial Instruments

(i) Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the

transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are accounted for at amortised cost using the effective interest method. This category comprises trade accounts receivable, loans, cash and cash equivalents, bank balances and other financial assets. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in Other Income using the effective interest rate method.

- fair value through profit and loss (FVTPL)

Assets shall be measured at FVPL unless it is measured at amortised cost or at FVOCI. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in Other Income.

- fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The movements in carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/(losses). Interest income from these financial assets is included in Other Income using the effective interest rate method.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Derecognition

Financial assets are derecognised when contractual rights to receive cash flows from the financial assets expire or the financial assets are transferred together with all material risks and benefits.

(ii) Financial Liabilities

Financial liabilities are initially recognised at fair value if the Company has a contractual obligation to transfer cash or other financial assets to another party. Borrowings and payables are recognised net of directly attributable transaction costs. In subsequent periods, such liabilities are measured at amortised cost using the effective interest method.

Derecognition

Financial liabilities are derecognised when the contractual obligation is discharged or cancelled, or has expired.

(g) Impairment of Financial Assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The Company applies Expected Credit Loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost. The Company follows 'simplified approach' permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss on trade receivables and lease receivables based on expected lifetime losses at each reporting date right from its initial recognition. If the reasons for previously recognised impairment losses no longer apply, the impairment losses are reversed provided that this does not cause the carrying amounts to exceed the amortised cost of acquisition.

(h) Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is

wholly supported by observable market data or the transaction is closed out.

While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities;
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs).

When quoted price in active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted prices in an active market, then the Company uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

(i) Trade Receivables and Loans

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(j) Investments

Financial assets are recognised and measured in accordance with Ind AS 109 - Financial Instruments. Accordingly, the Company recognises financial asset only when it has a contractual right to receive cash or other financial assets from another entity. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVPL), transaction costs that are attributable to the acquisition of the

financial asset. Subsequent to initial recognition, financial assets are measured at amortised cost, fair value through other comprehensive income (FVOCI) or FVPL. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investment in Equity Instruments are classified as FVPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income for investment in equity instruments which are not held for trading.

(k) Foreign Currency Transactions

The Financial statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A Company's functional currency is that of the primary economic environment in which the Company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

Monetary items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs

Non-Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(l) Income Tax

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible

in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally

enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Financial statements unless an inflow of economic benefits is probable.

(n) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(o) Provision for Employee Benefits

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment Benefits:

I. Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceeds the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

II. Defined benefit plans:

i) Provident fund scheme:

The Company makes specified monthly contributions towards Employee Provident Fund scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate.

ii) Gratuity scheme:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The present value of provisions for defined benefit plans and the resulting expense are calculated in accordance with Ind AS 19 - Employee Benefits by the Projected Unit Credit Method. The future benefit obligations are valued by an independent actuary at the year-end and spread over the entire employment period on the basis of specific assumptions regarding beneficiary structure and the economic environment. This includes the determination of the discount rate, salary escalation, mortality rate etc. which affects the valuation. In determining the appropriate discount rate at each balance sheet date, the Management considers the interest rates which relates to the benchmark rate available for Government Securities and that have terms to maturity approximating the terms of the related defined benefit obligation.

Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the balance sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the gratuity fund within the next twelve months.

(p) Lease Accounting

Assets taken on lease:

The Company mainly has lease arrangements for offices.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease; and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonable certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

(q) Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets/cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

(r) Segment Reporting

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

(s) Dividends Payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(t) Earnings Per Share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(u) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(v) Offsetting of Financial Instruments

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

(w) Rounding of Amounts

All amounts disclosed in the Financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

(x) Recent Accounting Pronouncements

(i) New and Amended Standards Adopted by the Company

The Company has applied the following amendments for the first time for their annual reporting period commencing April 01, 2023:

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction

of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 1 - Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment do not have any material impact on the Company's financial statements and disclosures.

Ind AS 12 - Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) New Standards/Amendments notified but not yet effective:

"Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company."

(y) Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(i) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is

derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

(iii) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(v) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

2A. PROPERTY, PLANT AND EQUIPMENT

Description of Assets	Freehold Land	Factory Building	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross Carrying Amount								
Balance as at March 31, 2022	222.38	704.95	877.21	25.17	265.79	27.25	38.66	2161.41
Additions during the year	-	36.29	66.37	00.21	17.42	2.36	4.54	127.20
Disposals/Reclassifications during the year	-	-	-	-	6.08	-	-	6.08
Balance as at March 31, 2023	222.38	741.25	943.59	25.38	277.12	29.61	43.20	2,282.53
Additions during the year	-	42.10	521.29	3.10	53.23	2.08	1.65	623.43
Disposals/Reclassifications during the year	-	-	18.00	-	58.97	-	-	76.97
Balance as at March 31, 2024	222.38	783.34	1,446.87	28.48	271.38	31.69	44.85	2,829.00
Balance as at March 31, 2022	-	243.42	504.27	21.96	206.82	21.93	33.10	1031.50
Depreciation expense for the year	-	42.67	79.73	00.76	23.06	1.76	5.09	153.05
Eliminated on disposal of asset/ reclassifications	-	-	-	-	5.78	-	-	5.78
Balance as at March 31, 2023	-	286.09	583.99	22.72	224.10	23.68	38.18	1,178.77
Depreciation expense for the year	-	42.52	126.44	1.13	26.09	2.70	3.76	202.64
Eliminated on disposal of asset/ reclassifications	-	-	8.43	-	57.08	-	-	65.51
Balance as at March 31, 2024	-	328.61	702.01	23.85	193.11	26.38	41.94	1,315.91
Net Carrying amount								
Balance as at March 31, 2022	222.38	461.53	372.95	03.21	58.96	05.32	05.57	1,129.91
Balance as at March 31, 2023	222.38	455.16	359.59	02.66	53.02	05.93	05.02	1,103.76
Balance as at March 31, 2024	222.38	454.73	744.86	04.63	78.27	05.31	02.91	1,513.09

2B.

Capital work-in-progress	Plant & Machinery		Amount in CWIP for a Period of			Total
	Building	As at March 31, 2024	Less than 1 Year	1-2 Years	2-3 Years	
Projects in Progress	13.41	17.73	17.73	-	-	17.73
Balance as at March 31, 2024	13.41	17.73	17.73	-	-	17.73

Notes to Financial statements (Contd.)

(All amounts in ₹ Lakhs, unless otherwise stated)

Capital work-in-progress	Plant & Machinery	Building	As at March 31, 2023	Amount in CWIP for a Period of			Total
				Less than 1 Year	1-2 Years	2-3 Years	
Projects in Progress	171.36	-	171.36	171.36	-	-	171.36
Balance as at March 31, 2023	171.36	-	171.36	171.36	-	-	171.36

3.

Intangible Assets	Software	Total
Balance as at March 31, 2022	39.84	39.84
Additions during the year	-	-
Deductions during the year	-	-
Balance as at March 31, 2023	39.84	39.84
Additions during the year	-	-
Deductions during the year	-	-
Balance as at March 31, 2024	39.84	39.84
Accumulated amortization		
Balance as at March 31, 2022	37.21	37.21
Amortization expense for the year	00.65	00.65
Deductions for the year	-	-
Balance as at March 31, 2023	37.85	37.85
Amortization expense for the year	00.79	00.79
Deductions for the year	-	-
Balance as at March 31, 2024	38.64	38.64
Net Carrying amount		
Balance as at March 31, 2022	2.64	2.64
Balance as at March 31, 2023	1.99	1.99
Balance as at March 31, 2024	1.21	1.21

Notes: The amortization expense of intangible assets has been included under 'Depreciation and amortization expense' in the Statement of Profit and Loss.

Notes to Financial statements

(₹ in Lakhs, unless otherwise stated)

4. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured and Considered Good		
Sundry Deposits	36.99	149.91
Total	36.99	149.91

5. INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials	1,521.84	1,108.18
Finished Goods	431.27	297.93
Stores, Spares and Consumables	50.23	48.35
Total	2,003.34	1,454.46

6. TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered good	3,994.32	5,336.16
Considered doubtful	-	-
	3,994.32	5,336.16
Less: Allowance for Expected Credit Loss	-19.97	-30.44
Total	3,974.34	11,394.67

Ageing of account receivables at Gross Level: Undisputed* Trade receivables-considered good

Particulars	As at March 31, 2024	As at March 31, 2023
Not yet due		
0-6 months	3,788.36	5,152.37
6 Months to 1 Year	77.66	100.81
1-2 Years	57.84	35.21
2-3 Years	19.10	47.77
More than 3 Years	51.37	-
Less: Allowance for Expected Credit Loss	-19.97	-30.44
Total	3,974.34	5,305.71

*There are no disputed trade receivables.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

7. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents		
Cash on hand	8.22	6.33
Balances with Banks		
In Current Accounts	1,629.32	726.97
Total	1,637.54	733.30

8. OTHER BALANCES WITH BANKS

Particulars	As at March 31, 2024	As at March 31, 2023
Term Deposits*	1,900.61	781.75
Unpaid Dividend Account	4.59	1.78
Total	1,905.20	783.53

*Margin money deposits ₹ 41,79,032/- are subject to first charge to secure the Company's Line of Credit Buyers' Credit and Bank Guarantees.

9. OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Balance with Government Authorities	264.95	564.79
Advance Income Tax (Net of Provision for Tax)	31.40	31.40
Prepaid Expenses	7.89	5.50
Others		
Advances to Employees	00.14	-
Research And Development (For New Product)	11.07	-
Advances to Suppliers	588.25	692.97
Total	903.71	1,294.66

10. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
1,50,00,000 Equity Shares of ₹ 10 each	150,000,000.00	150,000,000.00
	150,000,000.00	150,000,000.00
Issued, Subscribed and Paid up		
1,36,89,750 Equity Shares of ₹ 10 Each Fully Paid up.	136,897,500.00	136,897,500.00
	136,897,500.00	136,897,500.00

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

a) Reconciliation of number of shares

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Number	(₹)	Number	(₹)
Shares outstanding at the beginning of the year	13,689,750	1,368.98	13,689,750	1,368.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,689,750	1,368.98	13,689,750	1,368.98

b) Details of shareholders holding more than 5% of shares

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of ₹ 10 each held by:				
1. Shri Anoop Kumar Bansal	1,145,250	8.37%	1,145,250	8.37%
2. Shri Kishore Kumar Bansal	741,000	5.41%	741,000	5.41%
3. Shri Manoj Kumar Bansal	3,782,700	27.63%	3,782,700	27.63%

As per the records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Details of shareholding of promoters

Name of Shareholders	As at March 31, 2024		As at March 31, 2023		
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% Change in Holding
Equity Shares of ₹ 10 each held by:					
Shri Anoop Kumar Bansal	8.37%	1,145,250	8.37%	1,145,250	-
Shri Manoj Kumar Bansal	5.41%	741,000	5.41%	741,000	-
Shri Kishore Kumar Bansal	27.63%	3,782,700	27.63%	3,782,700	-
Shri Sanjay C Shah	4.24%	580,950	4.28%	585,950	-

d) Rights, preferences and restrictions

The Company has only one class of equity shares having a par value of ₹ 10 Per Share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder.

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/year end.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

11. OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium Reserve	433.91	433.91
Capital Investment Subsidy		
As per Opening Balance	-	-
Add: Addition During the Year		
Less: Depreciation Adjustments		
Closing Balance	-	-
Retained Earnings		
As per last Balance Sheet	8,696.39	5,990.80
Add: Net Profit after Tax transferred from the Statement of Profit and Loss	1,383.28	2,976.35
Less: Other Comprehensive income (net of tax)	-	-3.04
Less: Appropriations		
Dividend distributed during the year	273.80	273.80
Closing Balance	9,805.87	8,696.39
Total	10,239.78	9,130.30

No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

Proposed dividend

On December 12, 2023, the Board of Directors declared an Interim dividend of ₹ 1.00 (10%) per equity share (face value of ₹ 10 per equity share) for the financial year 2023-24 and which has been has been paid on January 04, 2024.

12. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Provision for Gratuity	103.22	84.99
Total	103.22	84.99

13. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities		
Arising on account of		
Provision for Employee Defined Benefit obligations	29.24	23.96
Deferred Tax Assets		
Arising on account of		
Difference between written down value/capital work in progress of fixed assets as per the books of accounts and Income Tax Act, 1961	-4.14	-6.17
Allowances for Doubtful debt and Advances	-5.03	-6.72
Total	20.08	11.08

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

14. TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Dues to MSME	-	-
(b) Dues to Other than MSME	13.01	52.23
Total	13.01	52.23

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year		
Principal	-	-
Interest	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

Ageing of trade payables at Gross Level:

Particulars	As at March 31, 2024	As at March 31, 2023
0-1 Year	11.92	44.14
1-2 Year	1.09	8.09
2-3 Year	-	-
More than 3 Years	-	-
Total	13.01	52.23

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Customers	44.19	09.50
Statutory Liabilities	18.84	16.45
Unpaid Dividend	4.53	1.72
Total	67.56	27.67

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

16. PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Provision for Gratuity	12.96	10.22
Provision for Salary, Bonus & Leave Salary	97.56	75.27
Total	110.52	85.50

17. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Tax Payable (Net of Advance Tax & TDS)	70.01	237.94
Total	70.01	237.94

18. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Sales of products		
Home Market (Net of Returns)	25,946.75	33,876.21
Exports	4,431.04	6,759.28
	30,377.79	40,635.49
Less: Discounts	-	-
	30,377.79	40,635.49
(ii) Other Operating Revenues		
Sale of Scrap	94.76	124.48
Export Incentives	44.80	82.62
Total	30,517.35	40,842.59

Disaggregation of Revenue

Management conclude that disaggregation of revenue disclosed above meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contracted price	30,377.79	40,635.49
Less: Discounts	-	-
Revenue from contract with customers	30,377.79	40,635.49

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

19. OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income from financial assets at amortised cost		
On bank deposits	110.96	43.32
Other Interest	1.08	-
Other non-operating Income (Net of expenses directly attributable to such income)		
Insurance Claim	-	54.59
Provision for Doubtful Debts no longer required	10.47	-
Miscellaneous income	-	00.36
Other gains and losses		
Net Gain on foreign currency transactions & translation	56.56	255.23
Profit on Sale of Investments	-	25.38
Profit on Sale of Property, Plant & Equipment	13.44	1.60
Total	192.52	380.47

20. COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Raw materials		
Opening stock	1,108.18	2,082.30
Add: Purchases of Raw Material	26,413.12	32,251.41
Less: Closing stock	1,521.84	1,108.18
Total	25,999.46	33,225.53

21. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods	297.93	685.21
(a)	297.93	685.21
Inventories at the end of the year		
Finished goods	431.27	297.93
(b)	431.27	297.93
Net (Increase)/Decrease in Inventories	(a)-(b)	387.28

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

22. EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and benefits	875.03	714.69
Contribution to provident and other funds	50.26	43.51
Staff welfare expenses	25.47	24.42
Total	950.76	782.62

23. FINANCE COSTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense		
- Cash credit facilities/Letter of credit and buyers' credit	48.13	90.94
- Term Loans from Banks	0.00	2.90
- Others	3.10	3.26
Other Borrowing Costs	27.04	36.88
Total	78.27	133.98

2 & 3 Depreciation and Amortisation Expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on Property, Plant & equipment & Right of Use and Amortisation of Intangible Assets	203.43	153.70
Total	203.43	153.70

24. OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of Stock, Stores, Spares, Oil & Lubricant	695.66	1106.78
Power and Fuel	50.50	81.25
Security Charges	13.93	16.30
Calcium Management	-	08.56
Freight and handling Charges	500.94	757.44
Brokerage and Commission	21.78	34.53
Advertisement and Sales Promotion Expenses	19.95	36.60
Legal and Professional expenses	73.89	42.55
Travelling & Conveyance	63.66	39.23
Rent Expenses	13.27	4.75
Repairs & Maintenance		
- Others	26.74	25.08
- Machinery	101.62	86.83
Rates, Fees and Taxes	00.18	10.87

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

24. OTHER EXPENSES (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Testing and Sampling Charges	3.95	4.62
Insurance	29.62	41.13
Printing, Stationery and Communication Expenses	13.68	12.80
Corporate Social Responsibility Expenses and Other Donations*	58.56	35.51
Payment to Auditors		
- Statutory Audit Fees	3.50	3.50
- In other Capacity	1.38	
For Tax Audit	1.50	1.50
For other matters		
Provision for Doubtful Debts	-	1.88
Sundry Balances Written Off	3.31	59.02
Miscellaneous Expenses	17.11	27.79
Total	1,714.71	2,438.52

*Note: Corporate Social Responsibility Expenses

A.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross Amount Required to be spent by the Company	57.85	35.40

B.

Amount spent during the year/period on	Year ended March 31, 2024	Year ended March 31, 2023
i. Construction/Acquisition of ant assets	-	-
ii. Purpose other than above	57.85	35.51

C.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Related party transactions in relation to Corporate Social Responsibility	-	-

D.

Provision movement during the year/Period	Year ended March 31, 2024	Year ended March 31, 2023
Opening provision	-00.11	-
Addition during the year/period	57.85	35.40
Utilised during the year/period	58.56	35.51
Closing provision	-00.82	-00.11

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

25. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts	As at March 31, 2024	As at March 31, 2023
Demand Raised By Income Tax Deptt.	10.16	10.16

26. ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

See accounting policy in Note 1.(o)

For details about the related employee benefit expenses, see Note 28

A. Defined Contribution Plan:

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Claims against the Company not acknowledged as debts	Year ended March 31, 2024	Year ended March 31, 2023
Provident Fund and other Funds	50.26	43.51
Total (included in Note 28 - 'Contribution to provident and other funds')	50.26	43.51

B. Defined Benefit Obligation:

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/Company policy multiplied for the number of years of service.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity	
	March 31, 2024	March 31, 2023
Principal actuarial assumptions		
Discount rate	7.23%	7.38%
Range of compensation increase	10.00%	10.00%
Withdrawal Rate		
- Younger ages	5.00%	5.00%
- Older ages	2.00%	2.00%

Actuarial study analysis	Gratuity	
	March 31, 2024	March 31, 2023
Components of income statement charge		
Current service cost	15.64	13.92
Interest cost	7.03	5.72

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

The expenses recognised during the year towards defined contribution plans are as detailed below: (Contd.)

Actuarial study analysis	Gratuity	
	March 31, 2024	March 31, 2023
Recognition of past service cost		
Immediate recognition of (gain)/losses	22.66	19.64
Settlement/curtailment/termination loss	1.10	
Total charged to statement of profit or loss	21.57	19.64
Total charged to Retained Earnings	-	-
Movements in net liability/(asset)		
Net liability at the beginning of the year	95.21	79.63
Employer contributions		
Total expense recognised in the statement of profit or loss	21.57	19.64
Total expense recognised in the Retained Earnings	-	-
Total amount recognised in OCI	00.60	4.06
Net liability at the end of the year	116.18	95.21
Reconciliation of benefit obligations		
Obligation at start of the year	95.21	79.63
Current service cost	15.64	13.92
Net Interest cost	7.03	5.72
Benefits paid directly by the Group	1.69	4.06
Defined benefits obligations at the end of the year	116.18	95.21
Re-measurements of defined benefit plans		
Actuarial gain/(loss) due to changes in demographic assumptions	-	-
Actuarial gain/(loss) due to changes in financial assumptions	2.12	-2.50
Actuarial gain/(loss) on account of experience adjustments	-2.71	-1.56
Total actuarial gain/(loss) recognised in OCI	-0.60	4.06

C. Sensitivity analysis of significant assumptions

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	March 31, 2024		March 31, 2023	
	% increase in DBO	Liability	% increase in DBO	Liability
Discount rate				
+ 0.5% discount rate	-5.91%	109.32	-6.16%	89.34
- 0.5% discount rate	6.51%	123.74	6.81%	101.69

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	March 31, 2024		March 31, 2023	
	% increase in DBO	Liability	% increase in DBO	Liability
Salary increase				
+ 0.5% salary growth	5.21%	122.23	5.62%	100.57
+ 0.5% salary growth	-4.97%	110.41	-5.21%	90.25

Note:

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

27. RELATED PARTY DISCLOSURES AS PER IND AS 24

1. Related parties with whom transactions have taken place during the year and its relationship:

Name of the related parties	Designation/Relationship
Shri Anoop Kumar Bansal	Key Management Personnel
Shri Manoj Kumar Bansal	Key Management Personnel
Shri Kishore Kumar Bansal	Key Management Personnel
Shri Sanjay C. Shah	Key Management Personnel
Shri Mayur Bhatt	Key Management Personnel
Shri Sunil Kumar Agarwal	Key Management Personnel
Shri Anirudh Singhal	Key Management Personnel
Sunil Dutt Bhatt	Key Management Personnel
Dwadasi Venkata Giri	Key Management Personnel
Rama Kohli	Key Management Personnel
Pratik Jain	Key Management Personnel
Shri Gaurav Agarwal	Relative Key Management Personnel
Shri Samarth Bansal	Relative Key Management Personnel
Shri Sarthak Bansal	Relative Key Management Personnel
Shri Sagar Shah	Relative Key Management Personnel
Shalini Shah	Relative Key Management Personnel
Shreya Agarwal	Relative Key Management Personnel
Jaya Bhatt	Relative Key Management Personnel
Bansal Brothers (Trading Div.)	Enterprises Over Which Significant Influence
Bansal Brothers (FAD)	Enterprises Over Which Significant Influence

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

2. Transactions during the year

Particulars	As at March 31, 2024	As at March 31, 2023
Remuneration		
Shri Anoop Kumar Bansal	66.50	39.00
Shri Sanjay C. Shah	66.50	39.00
Shri Mayur Bhatt	13.50	13.00
Factory Shed & Building		
Bansal Brothers (Trading Div.)	0.00	3.88
Plant & Machinery		
Bansal Brothers (Trading Div.)	4.21	0.00
President Salary		
Shri Manoj Kumar Bansal	66.50	39.00
Sale of shares of SEPL		
Shri Anoop Kumar Bansal	-	15.06
Shri Manoj Kumar Bansal	-	70.26
Shri Kishore Kumar Bansal	-	15.06
Sitting Fees		
Shri Sunil Kumar Agarwal	1.00	0.70
Shri Dwadasi Venkata Giri	1.20	0.80
Shri Sunil Dutt Bhatt	1.20	0.80
Ms. Rama Kohli	0.40	0.60
Sales		
Bansal Brothers (Trading Div.)	37.33	1,426.75
Bansal Brothers (FAD)	280.21	38.12
Bansal Brothers (Rasmada)	52.79	113.95
Purchase Raw Material		
Bansal Brothers (Trading Div.)	21.06	2.13
Bansal Brothers (FAD)	1,144.44	2,273.66
Bansal Brothers (Rasmada)	122.82	314.55
Purchase of Cons./Packing Goods		
Bansal Brothers (Trading Div.)	4.49	2.79
Repai & Maint. Factory Shed & Building		
Bansal Brothers (Trading Div.)	23.21	00.93
Repai & Maint. Machine		
Bansal Brothers (Trading Div.)	1.01	0.74
Staff Salary		
Shri Gaurav Agarwal	40.50	39.00
Shri Anirudh Singhal	17.55	16.90
Shri Samarth Bansal	50.13	35.75
Shri Sarthak Bansal	50.13	35.75
Shri Sagar Shah	16.88	16.25
Shalini Shah	7.50	7.20
Shreya Agarwal	6.75	6.50

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

2. Transactions during the year (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Jaya Bhatt	8.10	7.80
Mr. Pratik Jain	5.79	5.03
	2,111.68	4,580.94

3. Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off/written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

28. FINANCIAL INSTRUMENTS

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

Financial Assets and Liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

a. Financial Assets

Instruments carried at fair value

	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost*	Total Fair Value	Total Carrying Value
As at March 31, 2023						
(i) Investments	-	-	-	-	-	-
(ii) Other financial assets	-	-	-	149.91	149.91	149.91
(iii) Trade receivables	-	-	-	5,305.71	5,305.71	5,305.71
(iv) Cash and cash equivalents	-	-	-	733.30	733.30	733.30
(v) Other Balances with Banks	-	-	-	783.53	783.53	783.53
Total	-	-	-	6,972.46	6,972.46	6,972.46

A) Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the underlying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

a. Financial Assets (Contd.)

	FVOCI (Equity instruments)	FVOCI (Other instruments)	FVTPL	Instruments carried at amortized cost*	Total Fair Value	Total Carrying Value
As at March 31, 2024						
(i) Investments	-	-	-	-	-	-
(ii) Other financial assets	-	-	-	36.99	36.99	36.99
(iii) Trade receivables	-	-	-	3,974.34	3,974.34	3,974.34
(iv) Cash and cash equivalents	-	-	-	1,637.54	1,637.54	1,637.54
(v) Other Balances with Banks	-	-	-	1,905.20	1,905.20	1,905.20
Total	-	-	-	7,554.07	7,554.07	7,554.07

b. Financial Liabilities

	Fair value through profit & loss	At amortized cost*	Total carrying amount	Total Fair Value
As at March 31, 2023				
(i) Trade Payables	-	52.23	52.23	52.23
Total	-	52.23	52.23	52.23
As at March 31, 2024				
(i) Trade payables	-	13.01	13.01	13.01
Total	-	13.01	13.01	13.01

*The carrying value and fair value approximation, if any.

c. Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at March 31, 2024 and March 31, 2023 measured at fair value:

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value				
Investments in Unquoted Equity Shares	-	-	-	-
As at March 31, 2024				
Financial Assets at Fair Value				
Investments in Unquoted Equity Shares	-	-	-	-

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

29. SEGMENT REPORTING

The Managing Director & CEO, and Executive Director & CFO are identified as Chief Operating Decision Maker of the Company. They are responsible for allocating resources and assessing the performance of the operating segments. Accordingly, they have determined "Cord Wire" as its operating Segment.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all as reflected in the Financial Statement as at and for the year ended March 31, 2024.

Geographical Information

a. Revenue from external customers	Year ended March 31, 2024	Year ended March 31, 2023
Attributed to the Company's country of domicile, India	25,946.75	33,876.21
Attributed to all foreign countries	4,431.04	6,759.28
Total	30,377.79	40,635.49
b. Revenues from transactions with a customers exceeding 10% of the Company's sales in current as well as previous year.	00.12	00.17

c. Non-current assets (excluding Deferred/Current Tax and Financial Assets)	Year ended March 31, 2024	Year ended March 31, 2023
Located in the Company's country of domicile, India	1,532.03	1,277.11
Located in all foreign countries	-	-
Total	1,532.03	1,277.11

30. INCOME TAX

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Tax expense recognised in the statement of profit and loss		
Current Tax on profits for the year	480.00	1,050.00
Adjustments for current tax of prior periods	-	-
Total Current Tax Expense	480.00	1,050.00
Deferred Tax charge/(credit) P&L	8.85	-3.79
(Decrease) increase in deferred tax liabilities	-	-
Total Deferred Tax Expense	8.85	-3.79
Income tax expense recognised in the statement of profit and loss	488.85	1,046.21
(ii) Tax expense recognised in OCI		
Deferred Tax		
Deferred Tax expense on Remeasurement of defined benefit plans	00.15	1.02
Income tax expense recognised in the statement of profit and loss	00.15	1.02

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Enacted income tax rate in India applicable to the Company (in %)	25.168%	25.168%
Profit/(Loss) before income tax expense	1,896.58	4,101.44
Current tax expense on Profit/(loss) before tax expenses at enacted income tax rate in India	477.33	1032.25
Tax effects of		
Tax effect on non-deductible expenses	0.35	14.90
Effect of Income which is taxed at special rates	-0.38	-2.70
Effect of difference in WDV of Assets	10.04	5.13
Other items	-8.55	-3.37
Total		
Income tax expense	478.79	1,046.21

Consequent to reconciliation items shown above, the effective tax rate is 25.21% (Previous year: 25.51%).

The details of Income tax Assets/Liabilities are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advance Income Tax (Net of Provision for Tax)	31.40	31.40
Tax Payable (Net of Advance Tax & TDS)	70.01	237.94
Net Income Tax Liability at the end of the year	38.61	206.53

31. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	1,382.83	2,976.35

ii. Weighted average number of ordinary shares

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity shares outstanding as at year end	136.90	136.90
Weighted average number of shares as at year end for basic earnings per shares	136.90	136.90
Weighted average number of shares as at year end for diluted earnings per shares	136.90	136.90
Basic earnings per share	10.10	21.74
Diluted earnings per share	10.10	21.74

(*not annualised)

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

32. FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

(A) Credit risk

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviors. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business;

- ii) Actual or expected significant changes in the operating results of the counterparty;
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, no additional provision has been considered necessary in respect of trade receivables more than 90 days for the March 31, 2024, since the management has taken suitable measures to recover the said dues and is hopeful of recovery in due course of time.

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(All amounts in ₹ Lakhs, unless otherwise stated)

Reconciliation of loss allowance - Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	30.44	28.56
Allowance/(Reversal) made during the year	-10.47	1.88
Closing balance	19.97	30.44

The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company believes that the current value of trade receivables reflects the fair value/recoverable values.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to

ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying amount	Contractual cash flows		Carrying amount	Contractual cash flows	
		Upto 1 year	More than 1 year		Upto 1 year	More than 1 year
Non-Derivative Financial Liabilities						
Term Loans	-	-	-	-	-	-
Short Term Borrowings	-	-	-	-	-	-
Trade and Other Payables	13.01	13.01	-	52.23	52.23	-
Other Financial Liabilities	-	-	-	-	-	-
Other Current Liabilities	67.56	67.56	-	27.67	27.67	-

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(i) Foreign Currency Risk

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

Particulars	As at March 31, 2024			As at March 31, 2023		
	INR	EURO (in ₹)	US (in ₹)	INR	EURO (in ₹)	USD (in ₹)
Financial Assets						
Trade Receivables	3,027.60	-	957.34	4,226.32	127.69	972.78
Total	3,027.60	-	957.34	4,226.32	127.69	972.78
Financial Liabilities						
Trade payables	13.01	-	-	52.23	-	-
Total	13.01	-	-	52.23	-	-

The following significant exchange rates have been applied during the year:

Currency	Year-end Spot rate	
	March 31, 2024	March 31, 2023
USD	83.38	82.22
EURO	0	0

Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact

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(All amounts in ₹ Lakhs, unless otherwise stated)

indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Currency	Year ended March 31, 2024		Year ended March 31, 2023	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	2.39	-2.39	2.43	-2.43
EURO	-	-	00.32	-00.32

(D) Cash flow and fair value interest rate risk

- Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation. Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

The Company is also exposed to interest rate risk on its financial assets that includes fixed deposits, since the same are generally for short duration, the Company believes it has manageable risk and achieving satisfactory returns. The Company also has long - term fixed interest bearing assets. However the Company has in place an effective system to manage risk and maximise return.

- Interest rate risk exposure:

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed-rate instruments		
Financial assets	1,900.61	781.75
Financial liabilities	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
Total	1,900.61	781.75

- Interest rate sensitivity

Interest rate sensitivity

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

(iii) Price Risk

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

33. CAPITAL MANAGEMENT

(a) Risk management

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Net debt (Total Debt - Cash & cash equivalent - Other Bank Balances - Current Investment)	-3,542.73	-1,516.83
Total equity	11,608.75	10,499.27
Net debt to equity ratio	-30.52%	-14.45%

The Company has no debt as at March 31, 2024 (PY: No debt as at March 31, 2023)

34. OTHER FINANCIAL INFORMATION - RATIOS

The accounting ratios required derived from the Restated Financial Information under clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr. No.	Particulars	Note reference	March 31, 2024	March 31, 2023	% variance	Explanation for change in ratio for more than 25%
1	Current Ratio	a	39.92	23.73	68.24%	The inventory has increased and Company has more cash reserves further the Statutory Liabilities have considerably declined leading to overall decrease in Current Liability
2	Debt – Equity Ratio	b	0.00	0.00	0.00%	
3	Debt Service Coverage Ratio	c	25.23	31.02	-18.67%	
4	Return on Equity (ROE)	d	12.51%	32.54%	-61.56%	Due to net profit has declined and further due to increase in Cost of Goods Sold
5	Inventory Turnover (No. of days)	e	20.68	19.07	8.43%	
6	Trade Receivables Turnover Ratio (No. of days)	f	55.50	49.11	13.00%	
7	Trade Payables Turnover Ratio (No. of days)	g	0.45	5.87	-92.40%	Due to reduction in current liabilities

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

34. OTHER FINANCIAL INFORMATION - RATIOS (Contd.)

The accounting ratios required derived from the Restated Financial Information under clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr. No.	Particulars	Note reference	March 31, 2024	March 31, 2023	% variance	Explanation for change in ratio for more than 25%
8	Net Profit Ratio	h	4.53%	7.29%	-37.82%	Due to net profit has declined and further due to increase in Cost of Goods Sold
9	Net Capital Turnover Ratio (No. of days)	i	115.61	69.21	67.04%	Due to decline in turnover and the turnover has declined due to less number of Export Orders
10	Return on Capital Employed (ROCE)	j	16.98%	39.55%	57.06%	Due to net profit has declined and further due to increase in Cost of Goods Sold
11	Return on investment (ROI)	k	11.91%	28.35%	57.98%	Due to net profit has declined and further due to increase in Cost of Goods Sold

Note:

- Current ratio (in times): Current Assets/Current liabilities
- Debt - Equity ratio: Total Debt divided by Equity
- Debt Service Coverage Ratio (DSCR) (no. of times): Profit before interest, divided by Interest expense (net of moratorium interest, interest cost on unwinding (long term unsecured loans) and amortisation of transaction cost)
- ROE: Net Profits after taxes – Preference Dividend (if any)/Average Shareholder's Equity
- Inventory Turnover: Average Inventory/Sale of Products in days
- Trade Receivables turnover: Average Trade receivables/Turnover in Days
- Trade Payable turnover = Average Trade Payables/Cost of goods Purchsed in days
- Net profit (in %): Profit after tax/Revenue from operation
- Net capital turnover ratio = (Average working capital/Turnover in days)
- ROCE: Earning before interest and taxes/Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)
- Return on investment (ROI): PAT/Share Capital

35. OTHER STATUTORY INFORMATION

- The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- The Company does not have any transactions with companies which are struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall):
 - 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

Notes to Financial statements

(All amounts in ₹ Lakhs, unless otherwise stated)

- ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries); or
 - ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
 - g. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - h. The Company is not declared willful defaulter by any bank or financial institution or lender during the year.
 - i. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
 - j. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at Balance sheet date.
- 36.** Certain financial assets and financial liabilities are subject to formal confirmations and reconciliations, if any. The management, however, is confident that the impact whereof for the year on the financial statements will not be material.
- 37.** Previous year figures have been re-grouped/ re-classified wherever necessary to conform current years' classification.

As per our report of even date attached.

For, BEGANI & BEGANI
CHARTERED ACCOUNTANTS
(FRN: 010779C)

For and on behalf of Board of Directors of
SARTHAK METALS LIMITED

(SANKALP SOHANEY)
PARTNER
M.NO. 434993

(ANOOP KUMAR BANSAL)
MANAGING DIRECTOR
DIN: 01661844

(MAYUR BHATT)
WHOLE-TIME DIRECTOR & CEO
DIN: 07586457

Date: May 22, 2024
Place: RAIPUR (C.G.)
UDIN: 24434993BKBPDZ7890

(PRATIK JAIN)
COMPANY SECRETARY

(ANIRUDH SINGHAL)
CFO

ATTENDANCE SLIP
29th Annual General Meeting

Name of the Company	: Sarthak Metals Limited
Registered Address	: Hotel Ashish International, G.E. Road, Bhilai Power House - 490011
CIN	: L51102CT1995PLC009772
E-mail ID	: info@sarthakmetals.com
Telephone	: +91-9303773708
Website	: www.sarthakmetals.com

Name (In Block Letters)	:
Address	:
Registered Folio No./DP ID Client ID No.	:
Member/Proxy/Authorised Representative	:
No. of Shares held	:

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the 29th Annual General Meeting of the Company being held on Tuesday, August 20, 2024 at 12:00 noon at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011.

Signature of Member/Proxy/Authorised Representative

Note(s):

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.

Form No. MGT-11

PROXY FORM

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

CIN : L51102CT1995PLC009772
 Name of the Company : **Sarthak Metals Limited**
 Registered Office : Hotel Ashish International, G.E. Road, Bhilai Power House - 490011

Name of the Member(s) :
 Registered Address :
 E-mail ID :
 Folio No./Client ID :
 DP ID :

I/We, being the member(s) of Sarthak Metals Limited holding _____ shares, hereby appoint:

(1)

Name :
 Address :
 E-mail ID :
 Signature :

or failing him

(2)

Name :
 Address :
 E-mail ID :
 Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 29th Annual General Meeting of members of the Company, to be held on Tuesday, August 20, 2024 at Hotel Ashish International, G.E. Road, Bhilai Power House - 490011 at 12:00 noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix
 Revenue
 Stamp

Sr. No.	Resolutions	For	Against
Ordinary Business			
1.	To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and the Statutory Auditors thereon		
2.	To appoint a director in place of Mr. Anoop Kumar Bansal (DIN: 01661844), who retires by rotation and being eligible, offers himself for re-appointment		
Special Business			
3.	Re-appointment of Mr. Anoop Kumar Bansal (DIN: 01661844) as Managing Director		
4.	Re-appointment of Mr. Sanjay Chamanlal Shah (DIN: 00350967) as Whole-Time Director		
5.	Re-appointment of Mr. Mayur Bhatt (DIN: 07586457) as Whole-Time Director		
6.	To approve Material Related Party Transactions of the Company with M/s Bansal Brothers		
7.	Approval of remuneration of related party, Mr. Sarthak Bansal, holding office or place of profit		
8.	Approval of remuneration of related party, Mr. Samarth Bansal, holding office or place of profit		
9.	Approval of remuneration of related party, Mr. Gaurav Agarwal, holding office or place of profit		
10.	Approval of remuneration of related party, Mr. Manoj Kumar Bansal, holding office or place of profit		
11.	Ratification of remuneration of Cost Auditor		

Signed this..... day of 2024.

Signature of Shareholder

Signature of Proxy holder(s)

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



AN ENTITY PART OF THE D B GROUP



SARTHAK METALS LIMITED

Registered Office Address

BBC Colony, G.E Road,
Khursipar, Near Bhilai ITI, Bhilai
Chhattisgarh - 490011, India
Tel: +91-9303773708