ELECTROSTEEL

71ST ANNUAL REPORT 2025-26

ELECTROSTEEL CASTINGS LIMITED

Corporate Information

Directors	Mr. Amrendra Prasad Verma Mr. Rajkumar Khanna Mr. Vyas Mitre Ralli Mr. Bal Kishan Choudhury Mr. Virendra Sinha Mr. Jinendra Kumar Jain Dr. Mohua Banerjee Mrs. Sangeeta Singh Dr. Ajay Kumar (upto 15 May, 2025) Mr. Bikramjit Ghosh (w.e.f. 30 August, 2025)
Managing Director	Mr. Umang Kejriwal
Joint Managing Director	Mr. Mayank Kejriwal
Whole-time Directors	Mr. Uddhav Kejriwal Mrs. Priya Manjari Todi Mrs. Radha Kejriwal Agarwal Mrs. Nityangi Kejriwal Jaiswal Mr. Madhav Kejriwal
Whole-time Director and CEO	Mr. Sunil Katial
Whole-time Director and CFO	Mr. Ashutosh Agarwal
Company Secretary	Mr. Indranil Mitra
Statutory Auditors	Lodha & Co. LLP, Chartered Accountants
Secretarial Auditors	MKB & Associates, Company Secretaries
Solicitors	Khaitan & Co. LLP, Kolkata
Bankers	Axis Bank Limited Bank of India CTBC Bank Co. Ltd. Doha Bank Q.P.S.C Federal Bank Limited HDFC Bank Limited ICICI Bank Limited IDBI Bank Limited IDFC First Bank Limited IndusInd Bank Limited Karnataka Bank Limited Kotak Mahindra Bank Punjab National Bank RBL Bank Limited Yes Bank Limited

Works	Khardah, West Bengal Srikalahasthi, Andhra Pradesh Haldia, West Bengal Elavur, Tamil Nadu Bansberia, West Bengal Punganur, Andhra Pradesh
Corporate Office	G. K. Tower 19, Camac Street, Kolkata 700 017 Tel.: 033 2283 9990, Fax: 033 2289 4339 E-mail ID: companysecretary@electrosteel.com Website : www.electrosteel.com
Registered Office	Rathod Colony, Rajgangpur, Sundergarh, Odisha 770017
Corporate Identification Number	L27310OR1955PLC000310

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Report of the Directors

Dear Members,

Your Directors take pleasure in presenting the Seventy first Annual Report together with Audited Annual Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended 31 March, 2026.

FINANCIAL RESULTS (Rs. in Crore)

Particulars	Standalone		Consolidated	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Revenue from Operations	**5032.54**	6745.88	**5918.02**	7319.97
Earnings Before Interest, Taxes, Depreciation, Amortisation and Exceptional Item	**499.48**	1116.00	**573.55**	1158.88
Less: Finance Costs	**126.72**	141.81	**143.74**	160.71
Less: Depreciation and Amortisation Expense	**149.40**	127.47	**172.56**	142.05
Profit Before Exceptional Item & Tax	**223.36**	846.72	**257.25**	856.12
Less: Exceptional Item	**38.38**	–	**38.38**	–
Profit / (Loss) Before Tax	**184.98**	846.72	**218.87**	856.12
Less: Tax Expense	**53.64**	134.60	**57.39**	146.41
Profit / (Loss) After Tax	**131.34**	712.12	**161.48**	709.71
Share of Profit / (Loss) in Joint Ventures (Net)	**–**	–	**–**	–
Profit / (Loss) After Tax including share of Associate and Joint Ventures	**131.34**	712.12	**161.48**	709.71
Attributable to:				
Owners of the Company	**–**	–	**161.44**	709.56
Non-Controlling Interest	**–**	–	**0.04**	0.15
Other Comprehensive Income (Net of Tax)	**1.45**	(11.21)	**62.49**	(2.50)
Total Comprehensive Income	**132.79**	700.91	**223.96**	707.21
Attributable to:				
Owners of the Company	**–**	–	**223.92**	707.06
Non-Controlling Interest	**–**	–	**0.04**	0.15
Opening balance in Retained Earnings	**3289.30**	2633.47	**3347.51**	2694.25
Closing Balance in Retained Earnings	**3338.41**	3289.30	**3426.72**	3347.51

DIVIDEND

The Directors are pleased to recommend a final dividend of Re. 0.90 per Equity Share of face value of Re. 1 each (@ 90%) for the Financial Year ended 31 March, 2026. This dividend is subject to the approval of the Members of the Company, at their ensuing Annual General Meeting ('AGM'). If approved, the total outlay on account of final dividend for the Financial Year 2025-26 would amount to Rs. 55.64 crores.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy of the Company is uploaded on the Company's website:
https://www.electrosteel.com/admin/pdf/1064444546454-Dividend-Distribution-Policy.pdf .

INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Dividend to Investor Education and Protection Fund

In terms of the provisions of Section 124 of the Companies Act, 2013 ('Act'), read together with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereof ('IEPF Rules'), the Company (ECL) has transferred Rs. 5,86,711/-(Rupees Five Lakh Eighty Six Thousand Seven Hundred and Eleven Only) to the IEPF and the Srikalahasthi works (SW) unit (erstwhile Srikalahasthi Pipes Limited, which got merged with and into Electrosteel Castings Limited), has transferred Rs. 15,67,656/- (Rupees Fifteen Lakhs Sixty Seven Thousand Six Hundred and Fifty Six Only) to the IEPF, during the Financial Year 2025-26, being unpaid/unclaimed dividend amounts relating to the Financial Year 2017-18.

Pursuant to the provisions of the IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31 March, 2025 (as on the date of closure of previous financial year) on the website of the Company (www.electrosteel.com).

Transfer of Shares to the Demat Account of Investor Education and Protection Fund Authority

In terms of the provisions of Section 124(6) of the Act, read with the relevant Rules made thereunder, 1,56,639 Equity Shares of ECL and 29,875 Equity Shares of SW Unit (erstwhile Srikalahasthi Pipes Limited, which got merged with and into Electrosteel Castings Limited), in respect of which dividend was unpaid or unclaimed for the Financial Year 2017-18 and onwards, has been transferred to the Demat Account of the IEPF Authority maintained with National Securities Depository Limited, during the Financial Year 2025-26.

Further, the voting rights in respect of shares transferred to the Demat Account of the IEPF Authority shall remain frozen, until the rightful owner claims the shares. Members may note that shares as well as unclaimed dividend transferred to the IEPF Authority can be claimed back. Concerned shareholders are advised to visit http://www.iepf.gov.in/IEPF/refund.html for lodging claim for refund of shares or dividend from the IEPF Authority.

Further, the Company has initiated necessary action for transfer of all shares in respect of which dividend declared for the Financial Year 2017-18 and onwards has not been paid or claimed by the Members for 7 (seven) consecutive years or more. Members are advised to visit the web-link https://www.electrosteel.com/investor/iepf-suspense-account.php .

TRANSFER TO RESERVES

The Company proposes to retain the entire amount of profit in the Profit & Loss Account. No amount has been transferred/ proposed to be transferred to Reserves

OPERATIONS

During the year under review, the production of Ductile Iron (DI) Pipes was 5,36,336 MT, as against 732,004 MT in the previous year. The production of Cast Iron (CI) Pipes was 42,795 MT in 2025-26 as against 41,431 MT in the previous year.

The operating environment during the financial year 2025-26 was highly polarized. While the year commenced with highly buoyant demand, the market scenario turned sluggish in the year. This domestic contraction was primarily driven by a temporary lull in government expenditure on water related infrastructure projects, which severely depressed volume off-take and reduced sales prices to exceptionally low levels. Simultaneously international operations were impacted as geopolitical conflicts and ongoing war conditions depressed export demand, disrupted global logistics and delayed regional infrastructure projects overseas. The company is structurally well-positioned to aggressively capitalize on the volume rebound expected as domestic government spending on water infrastructure revives in the coming months.

The Company produced DI Fittings & Accessories of 18,090 MT in 2025-26 as against 22,568 MT in 2024-25.

MATERIAL CHANGES AND COMMITMENTS

There has been no material changes and commitments affecting the financial position of the Company which have

Report of the Directors ..... *(Contd.)*

occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report other than as mentioned in the 'Operations' and 'Other Disclosures" sections of this Directors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms an integral part of this Report and gives details of the industry structure, developments, opportunities, threats, performance and state of affairs of the Company's business, internal controls and their adequacy, risk management systems including a section on 'Risk Management' and other material developments during the Financial Year 2025-26, and is annexed as **Annexure 1**.

FUTURE PROSPECTS

India stands at a pivotal stage in its development journey, where economic expansion is increasingly intertwined with infrastructure strengthening and sustainability goals. The country continues to be one of the fastest-growing major economies, with expected GDP growth in the range of 6.5% - 7% over the medium term. This growth is supported by favourable demographics, rapid urbanisation, policy reforms and sustained public investment in infrastructure.

As India progresses, the demand for reliable and efficient water infrastructure is becoming more critical than ever. With increasing urban population, industrial expansion and climate-related challenges, ensuring access to safe and sustainable water supply remains a key national priority.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 103,02,00,000/- comprising of 103,02,00,000 Equity Shares of Re. 1.00 each. During the year under review, there has been no change in the Authorised Share Capital of the Company. The Issued, Subscribed and Paid-up Share Capital of the Company is Rs. 61,81,84,591/- comprising of 61,81,84,591 Equity Shares of Re. 1.00 each. During the year under review, the Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

CREDIT RATING

During the year, India Ratings and Research (Ind-Ra) has maintained the Company's Long-Term Issuer Rating at 'IND AA' and reaffirmed its rating on the short term bank facilities as "IND A1+" with a Stable Outlook.

CRISIL Ratings has revised the outlook of the Company's Long-Term Issuer Rating to 'CRISIL AA/Negative' from 'CRISIL AA/Stable' and reaffirmed its rating on the short-term bank facilities as 'CRISIL A1+' with a Stable Outlook.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, there were no significant or material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future except as mentioned below.

In 2021, UV Asset Reconstruction Company Limited (UVARCL) filed an application before the National Company Law Tribunal, Cuttack Bench, for initiation of the Corporate Insolvency Resolution Process (CIRP) against the Company. UVARCL is the assignee of SREI Infrastructure Finance Limited, one of the erstwhile lenders to Electrosteel Steels Limited now known as ESL Steel Limited (ESL) , for whose debt the Company had mortgaged its land at Elavur as a third-party security provider. The Company had never extended any corporate guarantee in respect of such debt.

Debt of Electrosteel Steels Limited was resolved under the Insolvency and Bankruptcy Code, pursuant to approval and implementation of resolution plan of Vedanta Limited during the financial year 2018–19. Under the approved plan, the entire admitted debt of ESL was discharged through a combination of cash payment and allotment of equity shares.

The NCLT, Cuttack Bench, by its order dated 24 June 2022, dismissed UVARCL's application. This decision was upheld by the National Company Law Appellate Tribunal (NCLAT) by its order dated 24 January 2024. NCLAT Judgement was challenged before the Supreme Court of India.

By its judgment dated 6 January 2026, the Hon'ble Supreme Court of India reaffirmed that the Company is not a guarantor in respect of the financial facilities availed by ESL. However, it has also held that the approval and/or implementation of Vedanta Limited's resolution plan does not extinguish the entire debt so as to preclude claims against the Company in its capacity as a third-party security provider.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Internal Financial Controls with reference to the Financial Statements are considered to be commensurate with the size, scale and nature of the operations of the Company. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources. There are Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically. Approval of all transactions are ensured through a pre-approved Delegation of Authority (DOA) schedule which is in-built into the SAP system, wherever required. DOA is reviewed periodically by the management and compliance of DOA is regularly checked by the Auditors. The Company's books of accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/effectiveness of all transactions and for integrity and reliability of reporting. There is adequate MIS (Management Information System) which is reviewed periodically by functional heads.

The Internal Auditor of the Company monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating system, accounting procedures and policies at all locations of the Company. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. Based on the Internal Audit Reports, process owners take corrective actions in their respective areas and thereby strengthen the controls. The Report is presented before the Audit Committee for review at regular intervals.

DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Audited Annual Consolidated Financial Statements forming part of the Annual Report have been prepared in accordance with the Companies Act, 2013 ('the Act'), applicable Indian Accounting Standards, notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Company had the following Subsidiaries and Joint Ventures as on 31 March, 2026:

Sl. No.	Name of the Company	Status
1.	Electrosteel Europe, S.A.	Subsidiary
2.	Electrosteel Castings (UK) Limited	Subsidiary
3.	Electrosteel Algerie SPA	Subsidiary
4.	Electrosteel USA, LLC and its wholly owned subsidiary, WaterFab LLC, USA	Subsidiary
5.	Electrosteel Trading, S.A.U Spain	Subsidiary
6.	Electrosteel Doha for Trading LLC	Subsidiary
7.	Electrosteel Castings Gulf FZE	Subsidiary

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Sl. No.	Name of the Company	Status
8.	Electrosteel Bahrain Holding W.L.L. and its wholly owned subsidiary, Electrosteel Bahrain Trading W.L.L	Subsidiary
9.	Electrosteel Brasil Ltda. Tubos e Conexoes Duteis	Subsidiary
10	Singardo International Pte Ltd. and its wholly owned subsidiary, Electrosteel Vietnam Limited	Subsidiary
11.	T.I.S. Service S.p.A (w.e.f. July 29, 2025) and its wholly owned subsidiaries, T.I.S Polska SP. Z.O.O, Poland, T.I.S. Turkey Water Technologies San. Ve Tic. A., Turkey, T.I.S Engineering D.O.O, Croatia and T.I.S. Nuoval S.r.l. Italy.	Subsidiary
12.	North Dhadhu Mining Company Private Limited	Joint Venture

The Company, pursuant to a Share Purchase Agreement ('SPA') entered into with TIS Group S.P.A., has acquired 30,00,000 equity shares of EURO 1 each of T.I.S. Service S.p.A ("TIS") representing 100% shareholding of TIS at an aggregate consideration of EURO 1,15,00,000 equivalent to Rs. 11470.16 lakhs. The entire consideration has been remitted by the Company on July 29, 2025 and on transfer of equity shares thereafter to the Company, TIS has become a wholly owned subsidiary of the Company.

A Report on the highlights of the performance of each of the Company's subsidiaries, associates and joint ventures, pursuant to the provisions of Section 134(3) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in **Annexure 2** to this Report. The statement containing salient features of financial statements of subsidiaries and joint ventures in Form AOC-1, for the Financial Year ended 31 March, 2026, pursuant to the said Section, read with Rule 5 of the said Rules, are given along with the Standalone Financial Statements.

In accordance with Section 136 of the Act, the Audited Financial Statements, including the Consolidated Financial Statements and related information of the Company, and Audited Accounts of each of its subsidiaries are available on the website of the Company, www.electrosteel.com. Members who wish to inspect these documents can send an e-mail to companysecretary@electrosteel.com.

REPORT ON CORPORATE GOVERNANCE

Your Company believes in transparent and ethical corporate governance practices. The Company's approach to Corporate Governance cascades across its business operations and its stakeholders at large to create long term sustainable value.

The Company is committed in maintaining the highest standards of Corporate Governance and adheres to the stipulations prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). A Report on Corporate Governance for the year under review, along with the Certificate from the Auditors confirming compliance with the conditions of Corporate Governance, is annexed as **Annexure 3**, forming part of this Report.

MEETINGS OF THE BOARD

During the Financial Year 2025-26, 5 (five) Board Meetings were held on 10 May, 2025, 28 May, 2025, 6 August, 2025, 10 November, 2025 and 6 February, 2026, the details of which are provided in the Corporate Governance Report, forming part of this Report and annexed as **Annexure 3**.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

On the recommendation of the Nomination and Remuneration Committee of Directors vide resolution passed by circulation on 30 August, 2025, the Board of Directors, by way of Resolution passed by circulation on 30 August 2025, taking into account his integrity, expertise and experience, appointed Mr. Bikramjit Ghosh (DIN: 00164178) as an Additional Director (Non-Executive and Independent) with effect from 30 August, 2025, for a term of upto 5 (five) consecutive years, subject to approval of appointment and regularisation by the Shareholders of the Company. The shareholders of the Company, by way of Postal Ballot on 16 November, 2025, have approved the special resolution for appointment of Mr. Bikramjit Ghosh as an Independent Director of the Company with effect from 30 August, 2025, for a term of upto 5 (five) consecutive years.

Dr. Ajay Kumar (DIN: 01975789) has ceased to be an Independent Director and Chairman of the Company with effect from 15 May, 2025 consequent upon his resignation from the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 10 May, 2025, have re-appointed Mr. Rajkumar Khanna (DIN: 05180042) as an Independent Director of the Company, for a second term of 5 (five) consecutive years, with effect from 15 June, 2025 subject to approval of the shareholders of the Company. The shareholders of the Company, at the Annual General Meeting of the Company held on 27 August, 2025, have approved the special resolution for re-appointment of Mr. Rajkumar Khanna as an Independent Director of the Company for a second term of 5 (five) consecutive years, with effect from 15 June, 2025, for a term of upto 5 (five) consecutive years.

Mrs. Priya Manjari Todi (DIN: 01863690) and Mrs. Radha Kejriwal Agarwal (DIN : 02758092) retire by rotation at the forthcoming AGM and being eligible, have offered themselves for re-appointment.

In compliance with Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings, brief resume and other information of all the Directors proposed to be re-appointed are given in the Notice of the forthcoming AGM.

There were no other changes in the Board and the Key Managerial Personnel during the year.

Mr. Umang Kejriwal, Managing Director, Mr. Mayank Kejriwal, Joint Managing Director, Mr. Uddhav Kejriwal, Mrs. Priya Manjari Todi, Mrs. Radha Kejriwal Agarwal, Mrs. Nityangi Kejriwal Jaiswal, Mr. Madhav Kejriwal, Mr. Sunil Katial and Mr. Ashutosh Agarwal, Whole-time Directors and Mr, Indranil Mitra, Company Secretary continue to be the Key Managerial Personnel of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Act, the Directors state that:

a) in the preparation of annual accounts for the Financial Year ended 31 March, 2026, the applicable accounting standards have been followed and there were no material departures requiring any explanation;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a 'going concern' basis;

e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Report of the Directors ..... *(Contd.)*

INDEPENDENT DIRECTORS

Declaration by Independent Directors

Mr. Amrendra Prasad Verma, Dr. Mohua Banerjee, Mr. Rajkumar Khanna, Mr. B K Choudhury, Mr. Vyas Mitre Ralli, Mr. Virendra Sinha, Mr. Jinendra Kumar Jain, Mrs. Sangeeta Singh and Mr. Bikramjit Ghosh, Independent Directors, have given declarations that they meet the criteria of independence as laid down in the Act and the Listing Regulations.

Further, in terms of Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014, as amended, the Board of Directors state that in the opinion of the Board, Mr. Bikramjit Ghosh, whose appointment as Independent Director of the Company has been approved by the Shareholders during the year, is a person of integrity and he possesses relevant expertise and experience.

DETAILS OF BOARD COMMITTEES AND ADOPTION OF POLICIES

There are 6 Board Committees as on 31 March, 2026, viz., Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility and Sustainability Committee, Risk Management Committee and Banking and Authorisation Committee.

The details of composition, terms of reference and meetings held and attended by the Committee members of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility and Sustainability Committee and Risk Management Committee are provided in the Corporate Governance Report, annexed as **Annexure 3** to this Report. There have been no instances wherein the Board has not accepted the recommendation of any of its committees.

The Banking and Authorisation Committee comprised of Mr. Rajkumar Khanna as the Chairman, with Mr. Mayank Kejriwal, Mr. Uddhav Kejriwal and Mr. Ashutosh Agarwal as its members as on 31 March 2026. The terms of reference for the Committee include taking various decisions pertaining to the opening or closing of bank and demat accounts of the Company and its operations, change in authorised signatories for operation of different bank and demat accounts, delegation of power to Company's executives for various jobs related to Central Government, State Government and / or the statutory bodies, issue and allotment of equity shares and debentures from time to time, subscribing/purchasing/ selling/dealing in shares and securities and availing broking services, making loans from time to time to Subsidiary Companies/Joint Ventures/Associates for its working capital requirement, giving guarantee or providing security to any bank in connection with fund based/non-fund based facilities including loan(s) made to Subsidiary Company/ Joint Venture/Associate Company by such bank, providing authorisation for Internet Banking facilities, Trade facility or any other facility from banks or financial institutions and any other work related to day-to-day operations of the Company.

Vigil Mechanism Policy

The Company has adopted Whistle Blower Policy and established a Vigil Mechanism in compliance with provisions of the Act and the Listing Regulations for the Directors and employees to report genuine concerns and grievances and leak/suspected leak of Unpublished Price Sensitive Information. This mechanism provides adequate safeguards against victimisation of employees and Directors and also provides for direct access to the Chairperson of the Audit Committee. The Company oversees the vigil mechanism through the Audit Committee of the Company. The said Policy is available at the Company's website and can be accessed at https://www.electrosteel.com/admin/pdf/1613636847Vigil-Mechanism-Whistle-Blower-Policy.pdf .

Nomination and Remuneration Policy

The Board has adopted a Nomination and Remuneration Policy recommended by Nomination and Remuneration Committee in terms of the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, read with Part D of Schedule II thereto. The Policy governs the criteria for determining qualifications, positive attributes and independence of a Director and lays down the remuneration principles for Directors, Key Managerial Personnel and other employees.

The Policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board, Key Managerial Personnel (KMP) and other employees. It enables the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations. The policy ensures that the interests of Board members, KMP & employees are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle and the remuneration to directors, KMP and employees and involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The policy lays down the procedure for the selection and appointment of Board Members and KMP and also the appointment of executives other than Board Members, compensation structure for Executive Directors, Non-Executive Directors, KMP and other employees.

The Nomination and Remuneration Policy is available at the Company's website and can be accessed at https://www.electrosteel.com/admin/pdf/1608020082nominationRemunerationPolicy.pdf .

Corporate Social Responsibility Policy

In accordance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company has a Corporate Social Responsibility and Sustainability ('CSRS') Committee in place. The CSRS Committee has formulated and recommended to the Board, the Corporate Social Responsibility Policy of the Company which has been approved by the Board. The Annual Report on CSR activities/initiatives which includes the contents of the CSR Policy, composition of the Committee and other particulars as specified in Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, are disclosed in **Annexure 4** to this Report

Policy on Board Diversity and Succession Planning for the Board of Directors and Senior Management

A Policy on Board Diversity and Succession Planning for the Board of Directors and Senior Management as devised by the Nomination and Remuneration Committee is in place, to ensure adequate diversity in the Board of Directors of the Company and for orderly succession for appointments of the Board of Directors and Senior Management.

FORMAL ANNUAL EVALUATION OF PERFORMANCE

The Nomination and Remuneration Committee of the Board has formulated and laid down Criteria and Manner for Evaluation of Performance of the Board, its Committees and individual Directors pursuant to provisions of Section 178 of the Act and Listing Regulations. As per requirements of Section 134 of the Act, the manner in which formal annual evaluation has been made is disclosed below –

A. The Board evaluated the roles, functions and duties performed by the Independent Directors (IDs) of the Company. Each ID was evaluated by all other Directors but not by the Director being evaluated. The Board also reviewed the manner in which IDs follow guidelines of professional conduct as specified in Schedule IV to the Act. The adherence to Section 149 of the Act, the aforesaid Schedule IV, the Listing Regulations and other applicable provisions of law by the IDs were also reviewed by the Board.

B. Performance review of all the Non-Independent Directors of the Company was made on the basis of the activities undertaken by them, expectations of Board, level of participation, roles played by them, leadership qualities and their overall performance and contribution in the development and growth of the business and operations of the Company.

C. The Board evaluated the performance of its Committees on the basis of the processes and procedures followed by them for discharging their functions and duties as per their respective terms of references and as assigned by the

Report of the Directors ..... *(Contd.)*

Board and laws applicable, their independence from the Board and on the effectiveness of the suggestions and recommendations made by them to the Board. The Board observed the size, structure and expertise of the Committees to be appropriate and in compliance with the Act and the Listing Regulations.

D. The Board evaluated its own performance on the basis of its composition having the right mix of knowledge, skills and expertise required to drive organisational performance and conduct of its affairs effectively, monitoring of Company's performance along with the ability to understand and deal with factors having a significant bearing, developing suitable strategies and business plans at appropriate time and monitoring its effectiveness, implementation of policies and procedures for proper functioning of the Company, frequency of its meetings, efforts made by the Board Members to keep themselves updated with the latest developments in areas.

The evaluation of performance of Board, it's Committees and of individual Directors was found to be highly satisfactory.

Separate Meeting of Independent Directors: The Independent Directors of the Company have on 6 February, 2026 held a separate meeting without the attendance of Non-Independent Directors and members of the management for evaluation of the performance of Non-Independent Directors, the Board as a whole and Chairman of the Company and for consideration of such other matters as required under the provisions of the Act and the Listing Regulations.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL ('KMP') AND PARTICULARS OF EMPLOYEES

The statement pertaining to particulars of employees including their remuneration as required to be reported under the provisions of Section 197(12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force] (the Rules) are provided in **Annexure 5A** to this Report. However, as per the provisions of Section 136 of the Act, the Reports and Accounts for the Financial Year 2025-26 are being sent to the Members and others entitled thereto, excluding this statement. The said statement is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

The disclosures as required under Section 197(12) of the Act, read with Rule 5(1) of the Rules are provided in **Annexure 5B** to this Report.

AUDITORS AND AUDITORS' REPORT

M/s. Lodha & Co. LLP, Chartered Accountants (Firm Registration Number: 301051 E/E300284), were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 67th Annual General Meeting ('AGM') till the conclusion of the 72nd AGM of the Company.

The para wise responses of the management to the opinion/remarks/observations made in the Independent Auditors' Report on the financial statements of the Company for the year ended 31 March, 2026 are given below:

1. As regards the Qualified Opinion expressed by the Auditors in their Report under para (a) under the head 'Basis for Qualified Opinion' and its consequential references made in para nos. 2 (d), (e), (g) and 3 (i) under the head 'Report on Other Legal and Regulatory Requirements' of their Report and para (I)(b) and (II)(a) of the Annexure A to the Auditors' Report of even date, attention is drawn to Note no. 50(a) of the Standalone Financial Statements, which are self-explanatory;
2. With respect to the Qualified Opinion expressed by the Auditors in their Report under para (b) under the head 'Basis for Qualified Opinion', attention is drawn to Note no. 9.1 of the Standalone Financial Statement, which are self-explanatory; and

3. On the Auditors' observation made in para (I)(a) of the Annexure A to the Auditors' Report of even date, your Directors wish to inform that all necessary steps are being taken to regularise the maintenance of proper records for furniture and fixtures.

During the year under review, the Auditors had not reported any fraud under Section 143(12) of the Act.

MAINTENANCE OF COST RECORDS AND AUDIT THEREOF

The Company is required to maintain cost records for Pig Iron, DI Pipe, DI Fittings, CI Pipe, Coke, Sponge Iron, Power Generating units and Ferro Alloy Products – Prime Silicon Manganese and Prime Ferro Silicon for every Financial Year, as specified by the Central Government under Section 148(1) of the Act, and accordingly, such accounts and records are made and maintained in the prescribed manner. Further, pursuant to Section 148 of the Act, read together with the Companies (Cost Records and Audit) Rules, 2014, as amended, the Company is required to carry out audit of the cost accounting records of the Company. M/s. S G & Associates (Firm Registration Number: 000138), Cost Accountants, and M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration Number: 000042) were appointed as the joint Cost Auditors of the Company for Financial Year 2025-26.

The Cost Audit Report for the Financial Year 2024-25 was filed on 01 September, 2025.

For Financial Year 2026-27, M/s. S G & Associates, Cost Accountants and M/s. Narasimha Murthy & Co., Cost Accountants have been re-appointed as joint Cost Auditors for all the applicable units and products of the Company. The remuneration proposed to be paid to them for the Financial Year 2026-27 requires ratification of the shareholders of the Company. In view of this, the ratification for payment of remuneration to the Cost Auditors is being sought at the ensuing AGM.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amended Regulation 24A of the SEBI Listing Regulations, the Board has approved appointment of M/s. MKB & Associates, (Firm Registration No: P2010WB042700), a peer reviewed firm of Company Secretaries in Practice as Secretarial Auditor of the Company for a period of five years, i.e., from April 1, 2025 to March 31, 2030. The same was approved by the Shareholders of the Company at the last AGM. The Report of the Secretarial Auditor for the financial year ended 31 March, 2026 is annexed herewith as **Annexure – 6**.

INTERNAL AUDITOR

In terms of the provisions of Section 138 of the Act, M/s. Chaturvedi & Co. LLP (Firm Registration No. 302137E) were appointed as the Internal Auditor of the Company for the Financial Year 2025-26. The Audit Committee, in consultation with the Internal Auditor, formulates the scope, functioning, periodicity and methodology for conducting the Internal Audit. The Audit Committee, inter-alia, reviews the Internal Audit Reports.

The Board of Directors of the Company, at their Meeting held on 18 May, 2026 have re-appointed M/s Chaturvedi & Co. LLP as the Internal Auditor of the Company for the Financial Year 2026-27 on the recommendation of the Audit Committee of Directors of the Company under the provisions of Section 138 of the Companies Act, 2013.

PUBLIC DEPOSITS

During the Financial Year 2025-26, the Company has not accepted any deposit within the meaning of Sections 73 and 76 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014.

LOANS, INVESTMENTS, GUARANTEES & SECURITIES

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in Note no. 55.1 to the Standalone Financial Statements of the Company.

Report of the Directors ..... *(Contd.)*

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at https://www.electrosteel.com/investor/extract-of-annual-return.php .

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility & Sustainability Report as per Regulation 34 of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front, is annexed as **Annexure 7** to this Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has a zero-tolerance policy for sexual harassment in the workplace. It has adopted a comprehensive policy in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. In compliance with the provisions of the said Act, an Internal Complaints Committee is in place to redress complaints received regarding sexual harassment. The Company has not received any complaint of sexual harassment during the Financial Year 2025-26.

a) number of complaints filed during the Financial Year 2025-26 – NIL

b) number of complaints disposed of during the Financial Year 2025-26 – NIL

c) number of complaints pending beyond 90 days during the Financial Year 2025-26 – NIL

d) number of complaints pending as on end of the Financial Year 2025-26 – NIL

COMPLIANCE WITH THE MATERNITY BENEFIT ACT

During the year under review, the Company has complied with the provisions of the Maternity Benefit Act, 1961.

RELATED PARTY TRANSACTIONS

The Company has entered into contracts/arrangements with the related parties during the Financial Year 2025-26, which were in the ordinary course of business and on arm's length basis. Thus, provisions of Section 188(1) of the Act were not applicable on the Company and the disclosure in Form AOC-2 is not required. However, your attention is drawn to the Related Party disclosure in Note no. 55 of the Standalone Financial Statements.

The Board has approved a policy for Related Party Transactions which has been hosted on the website of the Company. The web-link for the same is electrosteel.com/admin/pdf/1608020034Related-Party-Transaction-Policy.pdf . The Related Party Transactions, wherever necessary, are carried out by the Company as per this Policy.

There were no materially significant related party transactions entered into by the Company during the year, which may have a potential conflict with the interest of the Company at large.

RISK MANAGEMENT POLICY

The Company has a well-established Risk Management Policy to identify and evaluate business risks. This framework seeks to create transparency, minimise adverse effect on the business objectives and enhance Company's competitive advantage. The key business risks identified by the Company are economic risk, competition risk, industrial risk, environmental risk, foreign exchange risk, payment risk, interest rate risk, etc., and it has proper mitigation process for the same. The Audit Committee reviews this policy and evaluates the risk management systems of the Company, periodically. A statement indicating development and implementation of Risk Management Policy for the Company including identification of elements of risk, if any, is provided as a part of Management Discussions & Analysis Report at **Annexure 1** which forms a part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo required to be disclosed under Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure 8** and forms a part of this Report.

DISCLOSURE ON THE COMPLIANCE OF SECRETARIAL STANDARDS

The Company is compliant with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

OTHER DISCLOSURES

During the year under review:

i) The Company had not entered into any one-time settlement with any Bank or any Financial Institution.

ii) There is no change in the nature of business of the company during the Financial Year 2025-26.

iii) The Managing Director/ Whole-time Directors of the company have not received any remuneration/ commission from any of the subsidiary of the Company during the Financial Year 2025-26

iv) The Company had carried out a planned shutdown of its MBF production facility at Khardah Works Unit and Main Plant for 10 days from 18 June, 2025 to 27 June, 2025 for maintenance work.

v) The Company had raised funds by issuance and allotment of listed Commercial Papers in 2 tranches aggregating to - Rs 50 crores each on 29 August, 2025 and 23 September, 2025 on private placement basis. The same were duly redeemed on 27 November, 2025 and 22 December, 2025 respectively.

vi) The Board of Directors at their meeting held on 10 November, 2025 had approved the proposal for acquisition of 14,000 shares at a price of OMR 1.50 per share representing 70% shareholding of Arabian Water Tech LLC (AWT) based in Oman for an approximate purchase consideration of INR 50,00,000.

vii) The Board of Directors at their meeting held on 6 February, 2026 accorded consent to the Company to enter into a Power Purchase Agreement to purchase green power required for Srikalahasthi Works (SW) under the Interstate Group Captive Power Purchase (GCPP) Model through a Special Purpose Vehicle ("SPV") proposed to be jointly promoted by the Company and Developer for the purpose to make investment of around Rs. 7.00 Crores towards subscribing to 26% of the equity share capital of the SPV, with the balance 74% to be held by Developer, in compliance with the Group Captive regulations.

ACKNOWLEDGEMENT

Your Directors record their sincere appreciation for the assistance and co-operation received from the banks, financial institutions, Government authorities, and other business associates and stakeholders. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

Annexure – 1

Management Discussion and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Overview

The Company is engaged in the business of manufacturing Ductile Iron (DI) Pipes, Ductile Iron Fittings (DIF) and Cast Iron (CI) Pipes. The Company is the first to set up a Ductile Iron Pipe Plant in India. Today, it is India's leading pipeline solution provider. It has a strong brand presence around the Globe. Since 1994, the Company has maintained its edge over its competitors. Owing to the high reliability and durability of its products, the Company has always remained the distinct choice for water engineers and domain experts in Ductile Iron Pipes and Fittings.

Industry Outlook

Drinking water sector

The Government of India has significantly scaled up its efforts in the water sector through flagship initiatives such as the Jal Jeevan Mission-2 (JJM-2) and AMRUT 2.0, both of which are reshaping the country's water infrastructure landscape.

Jal Jeevan Mission (JJM), launched in August 2019, envisages provision of Functional Household Tap Connections (FHTCs) to every rural household, ensuring supply of adequate quantity of potable water of prescribed quality on a regular and long-term basis. As per the latest updates in 2026, more than 15 crore rural households have been provided with tap water connections, taking overall coverage to around 80% of rural households, as against about 3.23 crore households (approximately 17%) at the time of launch.

In view of the substantial progress achieved and the need to ensure universal and sustainable service delivery, the Government of India has extended the Mission period up to 2028. After a pause in 2025-26, this year a fresh allocation of Rs. 67670 Crore of central assistance has been made, with an enhanced total outlay of approximately Rs. 8.69 lakh crore.

The implementation and scalability phase represents the current intensive execution window of AMRUT 2.0 as of 2026, where the mission has transitioned from preliminary administrative planning to a massive, nationwide rollout of physical infrastructure. This phase is characterized by the active construction of nearly 8,736 approved projects with a total capital expenditure exceeding Rs. 1.74 lakh crore, specifically designed to ensure universal water security across all 4,378 statutory towns in India. A core technical priority in this stage is the deployment of high-durability infrastructure, with a strategic preference for Ductile Iron (DI) pipes due to their superior pressure ratings and longevity.

Water for Irrigation

Traditionally, irrigation has been dominated by canal-based systems. However, there is a growing shift toward piped irrigation networks across multiple states. Piped irrigation offers significant advantages, including reduced water losses due to seepage and evaporation, faster and controlled water delivery, lower land acquisition requirements and improved adaptability to varying terrain conditions. Additionally, these systems require less maintenance compared to open canals.

Ductile iron pipes are increasingly being used in major irrigation projects, particularly for bulk water conveyance and distribution networks. This trend is expected to strengthen further as states continue to modernise irrigation infrastructure.

Sewage conveyance

With growing urbanisation, sewage and wastewater management are becoming very important. DI pipe is already a preferred material, particularly for sewerage force mains. In addition, initiatives such as Swachh Bharat Mission and Namami Gange continue to strengthen wastewater management, sanitation infrastructure, and river rejuvenation efforts. There is also increasing adoption of wastewater recycling and reuse systems.

Water for Industries

India's industrial sector continues to expand, driving higher demand for water across manufacturing, power generation, and process industries. Industries require reliable, high-strength pipelines capable of handling high pressures and varying water qualities. To comply with stricter Environmental norms, Zero Liquid Discharge (ZLD) technologies are being adopted. Ductile iron pipes, with their durability and performance characteristics, are well-suited for such applications.

The convergence of these factors indicates a strong and sustained demand outlook for ductile iron pipes in India.

Demand Drivers for DI Pipes

The following are the key demand drivers for Ductile Iron (DI) pipes:

1. Government programmes such as JJM 2.0, AMRUT 2.0 and other water infrastructure initiatives continue to drive demand for DI pipes. JJM has been extended to December 2028 with a total outlay of Rs. 8.69 lakh crore. A total outlay Rs. 67670 Cr. has been declared for this year.
2. AMRUT 2.0 continues urban water and sewerage development with FY 2026–27 allocation of Rs. 8,000 crore.
3. Irrigation, industrial water, wastewater reuse and river-linking projects continue to support demand for DI pipelines.
4. M-CADWM under PMKSY (Rs. 1,600 crore) promotes underground pressurised irrigation networks using SCADA and IoT, creating new opportunities for DI pipes.
5. Urban Challenge Fund (Rs. 1 lakh crore Central Assistance leveraging nearly Rs. 4 lakh crore investment) will support water supply, sewerage, storm-water drainage and water grids.
6. Growing adoption of 24×7 water supply systems is accelerating replacement of ageing pipelines with durable DI pipes.
7. NRW/UFW reduction programmes are driving replacement of ageing pipelines.

Key Upcoming Schemes & Projects – FY 2026-27

- JJM 2.0: Extended to Dec 2028; outlay Rs. 8.69 lakh crore; FY26–27 allocation Rs. 67,670 crore.
- AMRUT 2.0: FY 2026–27 allocation Rs. 8,000 crore.
- Ken–Betwa Link: Daudhan Dam is progressing; Rs. 1,906 crore allocated for river interlinking.
- PMKSY: Rs. 7,137 crore allocation for irrigation projects.
- M-CADWM: Rs. 1,600 crore pilot modern irrigation programme.
- Urban Challenge Fund: Rs. 1 lakh crore Central Assistance leveraging ~ Rs. 4 lakh crore.

FY 2025-26 vs. FY 2024-25

The Company's Revenue from Operations was reported at Rs. 5032.54 Crore during the year under review as compared to Rs. 6745.88 Crore reported in the previous year. There was a marginal decrease of around 1% in Export Sales from Rs. 1132.69 Crore in the FY 2024-25 to Rs. 1121.41 Crore in the FY 2025-26. The Company's profit in the FY 2025-26 was Rs. 131.34 Crore as against profit of Rs. 712.12 Crore in the FY 2024-25.

Management Discussion ..... *(Contd.)*

B. PRODUCT WISE PERFORMANCE

Ductile Iron (DI) Pipes

The Ductile Iron Pipe Plant, produced 5,36,336 MT of DI Pipes during the year 2025-26 compared to 732,004 MT in 2024-25. The year opened with buoyant demand, but the market later turned sluggish. This domestic contraction stemmed from a temporary lull in government water infrastructure spending, which depressed volume off-take and severely lowered sales prices.

The Production decreased due to stabilization issues in Pipe Plants as well as reduced demand in Quarter 3 & 4.

The main raw materials used in the production of DI Pipes are Iron Ore and Coke. Iron Ore for Eastern India operation is mainly procured from Odisha and Jharkhand whereas, for Southern India, Iron ore is mainly procured from Karnataka. Coke is captively produced at Haldia for Eastern India operation and captively produced at Srikalahasthi unit for Southern India operation. Coking coals are imported mainly from Australia. The DI Pipes produced by the Company are sold in India and globally to around 130 countries spreadover 5 continents.

Blast Furnace

The Blast Furnace has produced liquid metal of 6,40,678 MT during the FY 2025-26 compared to 752,500 MT in the FY 2024-25.

Cast Iron (CI) Pipes

The Cast Iron Pipe Plant, with a total capacity of 90,000 TPA produced 42,795 MT of CI Pipe during the Financial Year 2025-26 compared to 41,431 MT in the Financial Year 2024-25. Improved performance is due to favorable order book and market situation. The capacity utilisation was higher compared to previous year because of higher demand and unhindered condition for production.

The main raw material used in the production of CI Pipe is Pig Iron, which is obtained from domestic sources. The CI Pipe produced by the Company is sold mainly to the states in Southern India.

DI Fittings & Accessories

The Company produced 18,090 MT of DI Fittings in the Financial Year 2025-26 as against 22,568 MT in the Financial Year 2024-25.

Power Plant

With 12 MW power plant & 5 MW Power Plant together, Haldia has generated 121.63 million units of power, out of which 19.40 million units were transmitted to SEB grid in 2025-26 as against 128.95 million units generation and transmission of 21.05 million units in 2024-25.

Khardah plant generated 22.86 Million units in 2025 -26 against 28.57 million units in 2024 -25.

During the year under review, at Srikalahasthi Unit, the power generation from both 12.0 MW and 7.5 MW CPPs put together was 124.50 million units as against 157.99 million units in the FY 2024-25.

Captive Coke Oven Plant

The Coke Oven Plant at Haldia, produced 157,235 MT of Metallurgical Coke in 2025-26 against 149,231 MT in 2024-25, mainly for captive consumption in Blast Furnace at Khardah Works.

The Coke Oven Plant at Srikalahasthi unit, has produced 1,91,820 MT of Metallurgical Coke in 2025-26 against 230,637 MT in 2024-25, mainly for captive consumption in Blast Furnace.

Ferro Alloy Plant

The Company's Ferro Alloy Plant at Haldia Works has produced Prime Silicon Manganese of 16,379 MT in 2025-26 against 14,725 MT in 2024-25. The production increased mainly due to power availability.

Ferro Alloy Plant at Srikalahasthi Unit has produced Ferro Silicon of 15,741 MT in 2025-26 against 13,2941 MT in 2024-25.

Cement Plant

Cement Plant has produced Portland Slag Cement of 35,050 MT in 2025-26 compared to 45,196 MT in 2024-25. Due to sluggish market conditions particularly for Slag Cement and consequent lower contribution, cement production has been lowered down during the year under review. Ground Granulated Blast Furnace Slag (GGBS) has been produced by utilising the cement mills.

GGBS Production in 2025-26 is 29,222 MT against 36,312 MT in 2024-25.

Raw Materials Management

The Company's manufacturing facilities are spread across six locations in India. The Company sources over **60%** of its essential materials such as iron ore lumps, fines, pellets, limestone, and manganese ore, directly from government-regulated mines. This ensures full visibility, traceability, and adherence to environmental and labour regulations throughout the supply chain.

The Company employs efficient in plant raw material processes across its integrated facilities to enhance cost efficiency and quality control. The manufacturing facilities are also equipped with Waste heat recovery systems, which harnesses waste heat from the Coke Oven and Sponge Iron plants to generate electricity.

Exports

FY 2025-26 remained a challenging year for the Company's export business. Demand across several international markets softened as infrastructure investments were deferred amidst fiscal pressures, geopolitical uncertainties, war situation, restrictive trade practices and heightened competitive activities continued to influence customer's buying decisions. These factors resulted in lower export volumes compared with the previous year.

Against this backdrop, the Company prioritised value over volume by focusing on profitable markets, strengthening relationships with key customers and enhancing service levels. Simultaneously, efforts were intensified to expand the Company's presence in new geographies and widen its customer base. These initiatives are expected to improve market diversification and support sustainable export growth in the long term.

Quality and Approvals

Over the past thirty-one years, The Company has consistently demonstrated its commitment to achieving world-class quality across all products and services. This commitment, rooted in the principle of "Quality Right the First Time," continues to guide our decisions, operations, and long-term strategy. The Company's products are certified by globally renowned and respected certifying bodies, like, BSI (UK), DVGW (Germany), UL (USA & Canada), FM (USA & Canada), BV (Italy), CSTB (France), OVGW (Austria), IGH (Croatia), SASO (Saudi Arabia), SVGW(Switzerland), MEWRE & MPW (Kuwait), NAMA (Gulf Countries) etc. These certifications are a testament to company's credibility, technical excellence and unwavering focus on stakeholder satisfaction. These certifications are not achievements, but the responsibilities that The Company upholds every day.

Esteemed auditors from leading certification bodies around the world regularly visit our manufacturing facilities to conduct comprehensive surveillance audits. Most recently, audit teams from BSI (UK), UL (USA), FM (USA), MPA NRW (Germany), OFI (Austria) and BV (Italy) undertook detailed evaluations of company's operations. The organization successfully met all audit requirements, reinforcing company's stand as a trusted provider of world-class quality products.

Management Discussion ..... *(Contd.)*

The Company remains steadfast in its commitment to long-term sustainability by systematically integrating environmental, social, economic and qualitative considerations across the entire life cycle of its products and services. During the year, the Company successfully renewed its Quality Management System certification in accordance with ISO 9001 and its Occupational Health and Safety Management System certification as per ISO 45001, reaffirming its focus on operational excellence, process consistency and the health and safety of employees and contractors. In addition, the Company continues to uphold its Environmental Management System (ISO 14001) and Energy Management System (ISO 50001), demonstrating a sustained commitment to environmental stewardship, efficient energy use and continual performance improvement. The Company also remains fully compliant with Social Accountability requirements under SA 8000, reflecting its dedication to ethical business practices, respect for human rights and the promotion of fair and safe working conditions across its operations and value chain.

OPPORTUNITIES AND THREATS

- **Opportunities**

- **Government Infrastructure Program:** Initiatives such as JJM-2 and AMRUT 2.0 continue to provide strong demand visibility across both rural and urban segments.
- **Urban Infrastructure Upgradation:** The push for 24x7 water supply and NRW reduction is driving replacement of ageing pipelines in cities as well as new expansion.
- **Growth in Industrial and Irrigation Sectors:** Industrial expansion and modernisation of irrigation systems are creating additional demand for durable pipeline solutions.
- **Export Potential:** Indian manufacturers are well-positioned to cater to demand in international markets, including Africa, Southeast Asia, the Middle East and developed economies.
- **Technological Advancements:** Advancements in jointing systems like restrained joint, coatings and product diversification are enhancing the application scope of DI pipes.
- **Sustainability Focus:** Increasing emphasis on ESG and environmental compliance is supporting the adoption of durable and recyclable materials such as DI pipes.

- **Threats**

- **Raw Material and Energy Cost Volatility:** The industry is facing Raw Material and Energy Cost Volatility from time to time. Fluctuations in iron ore, coal and energy prices can impact production costs and margins.
- **Competition from Alternative Materials:** Competition from Alternative Materials like PVC, HDPE, Steel pipes and concrete pipes continues to compete in various application segments.
- **Project Execution Delays:** Project Execution Delays due to delays in approvals, funding or tendering processes may impact project timelines.
- **Environmental and Regulatory Compliance:** Stricter environmental norms may require additional investments in compliance. Regulatory measures like the imposition of CBAM in the European market will have a considerable impact on margins.
- **Global Economic Slowdown:** Global economic slowdowns due to prevailing geopolitical tensions are affecting global economic conditions and can affect pipe demand.
- **Increasing Market Competition:** Increasing Competition from the entry of new players and the expansion of existing capacities is intensifying competition in the market.

India's water infrastructure sector is undergoing a structural transformation, supported by strong policy initiatives and increasing investment. The focus is gradually shifting toward efficiency, sustainability and long-term asset performance.

This evolving landscape provides significant growth opportunities for the ductile iron pipe industry. With its inherent advantages of durability, strength and long service life, DI pipes are expected to remain a preferred choice for water infrastructure projects.

Collectively, these ensure sustained long-term demand for water infrastructure and pipelines across rural and urban India. Electrosteel continues to:

- Protect and consolidate market share;
- Focus on cost optimisation, operational efficiency and prudent pricing;
- Align capacity utilisation with evolving demand;
- Position itself strongly for the next upcycle in funding and demand;

C. RISKS AND CONCERNS

This has been dealt with separately in the section on "Risk Management".

D. FINANCIAL PERFORMANCE

The highlight of the operations for the year ended 31 March, 2026 and 31 March, 2025 are as under:

a) Financials

(Rs. in Crore)

Particulars	Year ended 31 March, 2026	Year ended 31 March, 2025
Gross Sales & Income from Operations	**5032.54**	6745.88
Profit before Interest, Depreciation & Exceptional Items	**499.48**	1116.00
– Finance Expenses	**126.72**	141.81
– Depreciation	**149.40**	127.47
Profit before Exceptional Items	**223.36**	846.72
– Exceptional Items	**38.38**	–
Profit before Tax	**184.98**	846.72
Tax Expenses	**53.64**	134.60
Profit after Tax	**131.34**	712.12

b) Company's Sales mix

(Rs. in Crore)

Particulars	Year ended 31 March, 2026	Year ended 31 March, 2025
Revenue from sale of Products		
D.I. Spun Pipes	**3221.20**	5342.01
Ferro Products	**246.06**	181.60
D.I. Fittings	**281.90**	322.15
C.I. Spun Pipes	**286.56**	308.76
Cement	**0.28**	0.51
Others	**967.14**	563.82

Management Discussion ..... *(Contd.)*

Other Financial Matters

During the year:

1. Net Worth of the Company increased to Rs. 5683.42 Crore as at 31 March, 2026 from Rs. 5637.17 Crore as at 31 March, 2025.

2. Gross Fixed Assets including Work in Progress as at 31 March, 2026 is increased to Rs. 4120.18 Crore compared to from Rs. 4156.06 Crore as at 31 March, 2025.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. It ensures the efficiency of the operations, financial reporting and statutory compliances. These systems are reviewed through risk control matrix, various MIS wherever considered necessary. Apart from the internal control system, an Independent Internal Auditor also reviews all activities in a systematic and structured manner. The Audit Committee regularly reviews scope, observations and suggestions of the Internal Auditors and takes the necessary corrective actions.

F. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company firmly believes that sustained growth and continuous success are driven by a committed and motivated workforce that delivers superior performance and enhanced productivity. This philosophy is reinforced through the Company's evolving human resource management systems and structured processes. Continuous efforts are made to strengthen employee capabilities at all levels of the Organisation through active engagement initiatives and ongoing learning and development programs. The Company also places strong emphasis on the optimal and effective utilization of its human resources.

A harmonious and trust-based relationship between the Management and the Unions has ensured stable and peaceful industrial relations during the year under review. This mutually respectful association, nurtured over the years, has significantly contributed to the smooth functioning of the Company. Notably, no man-days have been lost over decades due to industrial relations issues. All concerns and grievances are addressed amicably through constructive dialogue, counselling, participative forums and collective bargaining based on mutually agreed terms. The Company remains committed to strengthening its knowledge capital by continuously enhancing employee competencies and ensuring their effective deployment.

The Company continues to uphold high standards of social compliance and has been accredited with British Standards Institution certification under the SA 8000 framework. The SA 8000:2014 Fourth Surveillance Audit and subsequent Recertificate audit were successfully conducted during the Financial Year 2025–2026 and the certification has been recommended for continuation. The Company is also consistently undertaking initiatives to sustain excellence in Total Productive Maintenance (TPM).

The total number of employees as on 31 March, 2026 is 2890.

⏮ **Safety & Health**

Occupational Health and Safety (OH&S) Management System is a core priority in our Company to ensure a safe and healthy workplace. Our existing management system aligns with statutory compliance and proactively works to eliminate hazards, minimize OH&S risks and achieve zero accidents and zero health impairments.

The system is consistently reviewed and improved through regular analysis, incorporating advancements in processes and technologies. Monitoring and compliance are ensured through MIS on a regular basis.

Key Initiatives by the Company:

➢ **Hazard Identification and Risk Elimination:**

A A structured process has been established for identifying accidental hazards (HIRA) on a routine and proactive basis for both routine and non-routine activities. Safe Operating Procedures (SOPs), Kaizen, OPL and Poka-Yoke methodologies are utilized to reduce or eliminate risk levels.

- **Workplace Risk Management:**

  A departmental/contractor-level safety risk register has been implemented to identify and eliminate workplace hazards. Safety committee meetings are conducted with the involvement of relevant departments for quick mitigation of high-level risks.

- **Performance Monitoring:**

  The Company monitors all key OH&S performance indicators through a defined schedule. Outcomes are reviewed with concerned departments and corrective actions are taken accordingly.

- **Emergency Preparedness:**

  On-site emergency plans and mock drills are conducted regularly. Evaluations are done post-drill to improve future emergency responsiveness.

- **Health Check-ups:**

  Periodic, pre-employment and follow-up health check-ups are arranged for all employees as per statutory norms. Health camps are also organized for ECL families and local communities under CSR initiatives.

- **Fall Protection:**

  A lifeline system has been installed and implemented at the crane bay, on top of the shed and at the pipe stack. This initiative aims to protect personnel from falls while working at height, thereby fostering greater confidence among employees in a safe working environment.

- **Family Members Connect:**

  A "Family Members Connect" program has been initiated to enhance safety awareness among employees' families. This program aims to empower family members to guide and remind their relatives to maintain safety in the plant's work areas.

- **Safety Training Programs:**

  Extensive training (induction/shop floor/in-house/external) is conducted to improve safety skills and awareness. Training effectiveness is assessed via feedback mechanisms.

- **Plant Inspection Systems:**
  - Includes daily inspections, electrical and fire safety checks and scheduled safety walks by top management and OH&S teams. Any deviation from the standard is reported and reviewed in monthly safety meetings and MIS.
  - QR Code displayed to strategic location for capturing and reporting of unsafe acts and condition through online system for all level of employee and its proper mitigation.

- **Safety Audits:**
  - Interplant safety audit for improvement of our safety management system.
  - Safety audits by competent external authorities are conducted to assess the safety management system and feedback is implemented for continuous improvement.

- **Additional Measures & Employee Engagement:**

  Employees' families are encouraged to participate in awareness programs and counselling sessions. Efforts are made to increase their awareness about health, hygiene and safety.

Management Discussion ..... *(Contd.)*

- **Motivation of Employees:**

  Regular motivation and communication efforts are taken to align employees with the goal of a safe workplace.

- **Safety Infrastructure Work:**
  - Initiatives have been taken to improve safety infrastructure, such as the installation of handrails at the crane bay, tray stand and pipe stand modifications. These actions aim to create a safer work environment and build safety confidence among employees.
  - Exchange of MIS presentation and best safety practice system to all unit from improvement of our safety practice of all locations. Management information system represent all the safety related issues in different plants for enhancing of safety culture.

Being an ISO 45001:2018 and SA 8000:2014 certified company, the Company is always maintaining good practices of OH&S system and always trying to improve to it in every sphere.

Environment

The Company has transitioned from a traditional Environmental Management System (EMS) to a more sustainable and integrated EMS approach. In view of the continuously evolving environmental requirements at both national and international levels—including stricter regulations on greenhouse gas emissions, biodiversity conservation and the efficient utilization of natural resources—the company has strengthened and adapted its environmental management practices.

The environmental policy has also been reviewed and updated considering the changing global environmental landscape. Recognizing that environmental responsibilities are closely linked with social governance, the organization has revised its environmental objectives to align with the expectations and requirements of relevant stakeholders.

Key initiatives undertaken include:

- Installation of Air Pollution Control Systems (APCS) at all major dust-generating points to ensure compliance with prescribed stack and fugitive emission standards. These systems are periodically inspected, cleaned, and monitored to maintain optimal operational performance.
- Installation of digital pressure drop indicators in the zinc dust filter area with an integrated alarm system for early detection of leakages, along with mechanized bag-cleaning facilities to enhance maintenance and efficiency of filter bags.
- Mobile water sprinkling tankers is purchased and operational within the plant premises and on nearby roads to combat air born dust.
- Water Sprinklers/Water mist system are installed near raw material yards, operational units and other strategic locations to control fugitive emissions from the plant.
- Stack, Fugitive Emission Monitoring, ETP Discharge Water Monitoring, Ground Water Monitoring, Ambient Air Monitoring is carried out through NABL accredited laboratories recognized under the Environment (Protection) Act, 1986 , Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 & to ensure emissions remain within permissible limits.
- Ambient noise levels are monitored in compliance with the Noise Pollution (Regulation and Control) Rules, 2000, with results analysed to guide corrective actions.
- To ensure that all treated water is recycled and reused within the plant, a Zero Liquid Discharge (ZLD) scheme is being implemented at Khardah Unit. The effluent from the Effluent Treatment Plant (ETP) is further treated in the Tertiary Treatment Plant through the installation of High Rate Solid Contact Clarifier (HRSCC), Dual Media Filter (DMF),

Activated Carbon Filter, Ultra-Filtration (UF), and Reverse Osmosis (RO) systems. The treated water is then recycled back into the process for reuse.

- Additionally, a Sewage Treatment Plant (STP) has been installed to treat domestic effluent separately, and the treated water is reused for gardening and sprinkler purposes.
- Cement slurry handling system is upgraded by installation of filter press for handling sludge in an environmentally safe manner.
- Installation of re-circulation based Wheel washing system.
- LED lights are provided in the offices. Solar lights are provided in and around plant premises. Project is in progress for installation of 1000 KWp roof top solar panels for using of renewable energy.
- Under the ISO 14001:2015 Environmental Management System, all operational activities are evaluated through a detailed aspect–impact analysis, and appropriate mitigation plans are implemented for processes that have significant environmental impacts.
- Product Life Cycle Analysis (LCA) has been conducted to identify environmental stress points and improve resource efficiency.
- Operational Control Procedures (OCP) by regular inspections are undertaken to ensure safe handling and storage of hazardous and non-hazardous materials.
- Green Initiatives by year-round sapling plantation within and around the factory premises enhances the green cover. A green belt of native plant species acts as a natural barrier to dust and noise. Additional 7000 saplings have been planted to strengthen green belt around Khardah Unit.
- Water Conservation through upgraded wastewater treatment and recycling systems, the company actively pursues freshwater conservation as outlined in its Environmental Policy.
- Regular environmental training programmes are conducted based on the Training Needs Identification Matrix, ensuring employee competency in EMS practices and regulatory compliance.
- Environmental Awareness Events such as World Environment Day, World Earth Day, and World Water Day are celebrated with employee and community engagement activities like quizzes, drawing competitions, and plantation drives.
- A comprehensive energy management framework ISO 50001:2018 – Energy Management System is in place to reduce fossil fuel dependency and control greenhouse gas emissions. This aligns with the UN Sustainable Development Goals (SDGs) 2030 and India's national climate commitments.

Waste Minimisation

The Company's Waste Management Cell is dedicated to ensuring effective waste handling, storage, and disposal, strictly in accordance with statutory regulations and in collaboration with Pollution Control Board (PCB) approved vendors.

Key waste minimisation strategies include:

- 4R Strategy (Reduce, Reuse, Recycle, Reprocess): A core principle of the company's sustainable waste management practices.
- Packaging waste materials are reused and recycled across various operational applications.
- Installation of a canteen waste-based biogas plant promotes a circular economy by converting organic waste into energy. Through anaerobic digestion within a digester tank, the generated biogas is recovered and utilized as a sustainable fuel source for the canteen, effectively replacing fossil fuel-based resources.

Management Discussion ..... *(Contd.)*

- The company has completely banned the use of Single Use Plastics (SUP) and plastic carry bags below 120 microns within plant premises. Awareness campaigns are conducted regularly to ensure compliance, in line with the Plastic Waste Management Rules, 2016.
- Process waste recycling for by-products such as iron ore fines, coke fines etc are collected through pollution control systems are reprocessed through briquetting/agglomeration, reducing the need for virgin raw materials.
- Technological upgradation by continuous innovation and investment in technology enhance waste reusability and recycling.
- Awareness campaigns such as posters and communication material are displayed throughout the premises to promote responsible waste handling and discourage the use of harmful plastic materials.
- As an ISO 14001:2015 certified organisation, the company upholds a structured and systematic approach to environmental protection, ensuring sustainable development in balance with socio-economic needs.

Corporate Social Responsibility ('CSR')

In recent times, companies are expected to engage in responsible business conducts. CSR activity, for Electrosteel, is a setup of planned activities, taking into consideration the capabilities of the Company with a target on the significant impact to inspire its local community and near vicinities. The initiative of the Company is to strengthen its operating foundation and being engaged in ongoing efforts to contribute to the society by enhancing corporate values.

The Company takes into account issues of concern related to external stakeholders and also various range of programs that aim at Social & Environmental topics. The Company's code of conduct anchors its Ethics & Compliance affairs. It also creates and implements community-based initiatives to solve issues in areas like education for children, environmental conservation and external cooperation keeping in mind the local culture & society.

Electrosteel Initiatives

- Setting up of Drinking water kiosks in local area during the summer season.
- Providing assistance to promote local culture and festivals.
- Carrying out development work in local Schools & Sports Clubs to promote education & sports activities.
- Providing medical help through the Charitable Medical Centers.
- Motivating local poor but bright students and distribution of educational kits amongst school children.
- Arranging regular Blood Donation and Medical Camps through agencies and helping local people with Blood Cards as and when required.
- Distribution of Clothes / Blankets amongst poor people of local area.
- Providing financial help to needy people against their appeals.
- Engaging Employees through various Competitions, Sports Activities and Cultural programs.
- Providing financial assistance for the promotion of tribal and integral education through specialized implementing agencies.
- Extending major funding towards animal welfare, infrastructure development for Gauseva and the construction of specialized animal hospitals across multiple states.

The Company conducts its CSR activities based on the feedback from its employees, stakeholders, customers and the local community.

Information Technology

The Company has further improved its security posture to mitigate information security risks by implementing Identity Threat Protection which safeguards the organization's user identities by detecting, preventing and responding to identity-based threats such as credential theft and account compromise. It leverages advanced analytics and AI-driven monitoring to identify suspicious activities in real time. This proactive approach strengthens access controls, reduces unauthorized access risks and enhances overall cybersecurity resilience.

The Company is implementing location wise "End Point Backup Solution" for desktops/laptops in phased manner which ensures business continuity by protecting critical data on employee devices from loss due to accidental deletion, theft or ransomware attacks. It enhances data security, supports compliance and enables fast recovery, reducing downtime and protects user data thereby avoiding productivity loss.

G. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Debt Service Coverage ratio has reduced from 3.81 times in the FY 2024-25 to 1.14 times in FY 2025-26, i.e., a decrease of 70% due to decrease in volume of sales and lower realisation.

Interest Coverage ratio has decreased from 7.10 times in FY 2024-25 to 2.52 times in FY 2025-26, i.e., a decrease of 65% due to decrease in volume of sales and lower realisation.

Operating profit margin has reduced from 14.71% in FY 2024-25 to 6.23% in FY 2025-26, i.e., a reduction of 58% due to decrease in margin and revenue of the Company.

Net Profit Margin (%) witnessed a decrease from around 10.60% in the FY 2024-25 to around 2.63% in the FY 2025-26, i.e., a decrease of 75% due to decrease in volume of sales and lower realisation.

Return on Net Worth (%) witnessed a decrease from around 13.40% in FY 2024-25 to around 2.32% in FY 2025-26, i.e., a decrease of 83% due to decrease in volume of sales and lower realisation.

No significant changes were noted in the other key financial ratios during the year.

Particulars	FY 2025-26	FY 2024-25	Variation
Debtors Turnover	3.41	4.10	-17%
Inventory Turnover	2.87	3.71	-23%
Current Ratio	2.15	1.73	24%
Debt Equity Ratio	0.21	0.32	-33%

H. OUTLOOK

Water security has emerged as a national priority in India, driven by rapid urbanization, population growth and increasing concerns over water scarcity and quality. In response, the Government of India launched the Jal Jeevan Mission (JJM), the world's largest rural drinking water supply program. From a baseline of 3.23 crore (17%) rural households with Functional Household Tap Connections (FHTCs) in 2019, the Mission has expanded coverage to approximately 15.82 crore households, representing about 81.7% of the 19.36 crore rural households identified across the country as of March 2026.

Further reinforcing the sector's long-term outlook, the Union Cabinet has extended JJM until December 2028, increasing the total program outlay to Rs. 8.69 lakh crore, with Central assistance enhanced from Rs. 2.08 lakh crore to Rs. 3.59 lakh crore. The next phase, JJM 2.0, places greater emphasis on service sustainability, governance, operation and maintenance, water quality monitoring and digital asset management through the 'Sujalam Bharat' platform. Reflecting this commitment, the Union Budget FY 2026–27 has allocated Rs. 67,670 crore to JJM, a substantial increase over the FY 2025–26 Revised Estimate of Rs. 17,000 crore.

Management Discussion ..... *(Contd.)*

With continuous growth in Urban population, Urban water and wastewater management remains a focus area. AMRUT 2.0 continues to strengthen urban water supply and wastewater infrastructure. The allocation for AMRUT 2.0 has been rationalized to Rs. 8,000 crore in FY 2026–27. River cleansing initiatives like Namami Gange is revamping the sewerage infrastructure in many cities. Collectively, these initiatives will continue to support sustained growth in urban India's pipe and fittings industry.

In the irrigation sector, more states are adopting piped irrigation system. Several new and ongoing initiatives are expected to further strengthen demand for Ductile Iron (DI) pipes. Work on the construction of the Ken–Betwa Link Project—the first of the 30 river-linking projects identified under the National Perspective Plan, is progressing, with the Union Budget FY 2026–27 allocating Rs. 1,906 crore for river interlinking works. At the same time, PMKSY, with an allocation of around Rs. 7,137 crore for FY 2026–27, continues to support the completion of major and medium irrigation projects. Further impetus is expected from the Union Cabinet's approval of the Modernization of Command Area Development & Water Management (M-CADWM) scheme under PMKSY, with an initial outlay of Rs. 1,600 crore for the modernization of irrigation water distribution through underground pressurised pipeline networks.

The newly launched Urban Challenge Fund (UCF) with Central Assistance of Rs. 1 lakh crore, which is expected to catalyse nearly Rs. 4 lakh crore of investment in urban infrastructure over the next five years. The UCF will support large-scale investments with private participation in water supply, sewerage, wastewater reuse, stormwater drainage and water grid infrastructure.

All the above initiatives, coupled with matching expenditure from the state fund, are expected to sustain long-term investment in water infrastructure, thereby driving robust demand for Ductile Iron (DI) pipes and fittings.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's estimates, predictions and expectations may be "forward-looking" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods in which the Company operates, input availability and prices, changes in government regulations, tax laws and other statutes, economic developments within the country and the countries within which the Company conducts business and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events.

Risk Management

The Company has proper Risk Management and Control System to ensure that the risks of the Company are identified early and managed effectively. The risk and mitigation measures are weaved into strategic plans, backed by strong internal control system and are reviewed periodically. Values and Business Principles are important foundations of the internal environment for risk management. The main objective of Risk Management is to make sure that varied internal & external risks are managed & mitigated appropriately to protect the interest of all stakeholders which encompass, among others, proper compliances with applicable laws and regulations and ensuring overall safety in the organisations.

The Company has already undertaken an extensive Risk Management initiative that includes introducing Risk Management Manual, compiling a comprehensive profile of the key risks to the Company, identifying significant gaps in managing those risks and developing initial action plans to address those risks. The worldwide activities of the Company are exposed to varying degrees of risk and uncertainty, quite a few of which are external in nature. The Company has identified and categorised the risks associated with its business into Economic Risk, Competitor Risk, Industrial Risk, Environmental Risk, Foreign Exchange Risk, Payment Risk and Interest Rate Risk.

Economic Risk

Economic risk reflects the likelihood that plant output will fail to generate adequate revenues to cover operating costs and debt obligations. For the current fiscal year, this risk materialized due to subdued domestic demand caused by delays in government fund disbursements under national water infrastructure schemes. This led to a severe reduction in domestic net sales realizations, forced production curtailments and poor fixed-cost absorption. Consequently, production costs exceeded budget targets, leading to a contraction in margins. Externally, maritime supply chain risks and geopolitical tensions continue to pressure logistics and fuel costs.

To mitigate these challenges, the Company focuses on operational efficiency by enhancing backward integration through brownfield expansions and upgrading equipment to lower production costs. In sourcing and logistics, strategy of sourcing coking coal from various geography and long-term contracts are utilized alongside alternative raw material channels, while specialized domestic rail schemes are leveraged to circumvent logistics bottlenecks. Cost control measures are strictly enforced by replacing diesel with process gas, stabilizing blast furnace operations, and dynamically adjusting the raw material mix to optimize variable costs.

Competition Risk

TThe domestic market is increasingly competitive due to capacity expansions by peers utilizing newer, cost-advantaged technologies, which may pose distinct challenges at the marketplace. The narrowing demand-supply gap has intensified price competition, placing older, multi-location plants at a cost disadvantage and causing potential constraints in maintaining and growing market share. Furthermore, the Company faces market share pressure from substitute products like OPVC pipes, alongside heightened competition in export markets as domestic players aggressively target the same international customer segments.

To mitigate these pressures, the Company focuses on market diversification by expanding beyond traditional rural water programs into urban municipal replacements, sewage infrastructure, smart cities and industrial pipelines. It is also actively increasing its value-added mix by raising the proportion of high-value products, such as specialized fittings, valves and advanced pipe coatings. Finally, strategic interventions are underway to deepen dedicated relationship programs with top infrastructure contractors, transitioning the Company’s positioning from a pure product supplier to a total water transmission solutions provider.

Management Discussion ..... *(Contd.)*

Industrial Risk

Maintaining smooth plant operations requires a skilled, safe, and stable workforce. During the current year, human resource challenges included an increase in permanent employee attrition, localized knowledge concentration due to a historic lack of formal job rotations and operational vulnerabilities from key-person dependencies. Additionally, industrial manufacturing environments continue to present inherent occupational safety and workplace injury risks.

To manage these challenges, the Company addresses talent and performance management by implementing compensation benchmarking, clear career growth paths and performance improvement plans to improve employee retention and productivity. Policy institutionalization is being driven through the formalization of new corporate frameworks for job rotation, knowledge transfer and structured succession planning to de-risk key designations. For safety and industrial relations, the Company conducts regular safety assessments and mock drills, provides complete health and accident insurance for permanent staff and maintains proactive liaisoning with labor unions and community stakeholders to secure long-term industrial harmony.

Environmental Risk

Environmental risk refers to the possibility of adverse impacts on the environment arising from industrial operations or natural phenomena. These risks may include air pollution, wastewater discharge, generation of hazardous and non-hazardous waste, noise pollution, chemical spills, climate change impacts, biodiversity loss and depletion of natural resources.

At Electrosteel Castings Limited, environmental risks are systematically managed through an Environmental Management System (EMS) aligned with ISO 14001:2015. The plant identifies environmental risk through aspect impact mechanism. Based on this evaluation, risks are prioritized using the Environmental Risk Priority Number (ERPN) methodology, which considers the likelihood of occurrence, severity of impact and ability to detect or control the risk.

The organization also considers the needs and expectations of interested parties, including regulatory authorities, local communities, employees, customers, suppliers and other internal and external stakeholders. Their expectations regarding environmental protection, regulatory compliance, pollution prevention and sustainable resource use are incorporated into the environmental risk management framework. The primary environmental risks associated with plant operations include air emissions from blast furnace and foundry processes, wastewater discharge, handling of chemicals and fuels, generation of solid, hazardous wastes and high noise levels. These risks are mitigated through advanced engineering controls such as air pollution control systems, effluent treatment facilities, safe chemical handling procedures, waste recycling and continuous environmental monitoring.

To mitigate environmental risks, the plant has implemented various operational control measures such as air pollution control systems for stack emissions, effluent treatment and recycling facilities, proper handling and storage of chemicals, solid waste segregation and recycling practices and noise control measures. Continuous monitoring of environmental parameters such as stack emissions, ambient air quality, effluent quality and water consumption is carried out to ensure compliance with statutory and internal standards.

The organization is committed to continual improvement in environmental performance by adopting cleaner technologies, enhancing resource efficiency, strengthening waste minimization practices, implementing energy and water conservation initiatives. Regular internal audits, compliance evaluations, and management reviews are conducted to identify opportunities for improvement and further reduce environmental risks.

An effective Emergency Preparedness and Response Plan is also established to address potential environmental emergencies such as chemical spills, fire incidents or accidental releases. The emergency plan is periodically updated and tested through mock drills to ensure readiness and effectiveness. Furthermore, environmental performance and risk mitigation measures are reviewed periodically by management to ensure that environmental risks are minimized and that preventive actions are effectively implemented.

Through these systematic approaches, Electrosteel Castings Limited ensures proactive environmental risk management while promoting sustainable operations and protecting the surrounding ecosystem and community.

Foreign Exchange Risk

Foreign Exchange Risk (also known as exchange rate risk or currency risk) is a financial risk posed by an exposure to unanticipated changes in the exchange rate between two currencies. Multinational businesses exporting or importing goods and services are faced with an exchange rate risk, which can have severe financial consequences if not managed appropriately. Considering the large volume of export of finished products and import of raw materials, the Company is exposed to the risk of fluctuation in the exchange rates while natural hedging plays a major counter-balancing role.

The Company has adopted a comprehensive risk management policy wherein it actively hedges its foreign exchange exposures within defined parameters, through use of hedging instruments, such as, forward contracts, options and swaps to minimize currency fluctuation risks. The Company periodically reviews its risk management initiatives and also takes expert advice on regular basis on hedging strategy.

Payment Risk

Payment risk refers to the possibility of cash flow shortages due to the non-receipt, delayed, or partial receipt of payments from customers, which can cause severe interest charges, fund-transfer costs, replacement costs or principal losses alongside potential damage to organizational reputation. In the current fiscal year, this risk has intensified due to prolonged receivable cycles and delayed government fund disbursements under national water infrastructure projects. High inventory carrying costs coupled with these payment slowdowns have directly pressured the Company's working capital, operational cash flows, and return on capital employed (ROCE).

To mitigate these financial risks, the Company conducts stringent creditworthiness evaluations of all customers and maintains a close, continuous watch on the active credit cycle. For export markets, receivable protection is actively managed by utilizing dedicated credit insurance policies to cover and safeguard against non-receipt. Furthermore, the Company leverages a structural funding framework by relying on the underlying security of major water infrastructure projects that are funded directly by government bodies or backed by international agencies, thereby minimizing long-term default history.

Interest Rate Risk

Interest rate risk arises when changes in market interest rates cause fluctuations in the fair value or future cash flows of the Company's financial instruments, relating primarily to its long-term and short-term borrowings with floating interest rates. In the current year, macroeconomic environments are shaped by global policy changes and domestic fiscal measures. While the reserve bank's decision to keep benchmark repo rates unchanged helps stabilize baseline borrowing costs, ongoing geopolitical volatility and changing international risk premiums continue to require strict vigilance to prevent margin pressure.

To manage this exposure, the Company relies on continuous market intelligence by constantly monitoring global and domestic credit markets to track shifts in financing terms and macroeconomic trends. The financing strategy is dynamically rebalanced to maintain an optimal debt maturity profile and minimize total funding costs. Additionally, the Company focuses on resource management by enhancing internal capital allocation to meet financial and debt obligations more efficiently, while exploring cash flow optimizations to offset interest exposures.

For and on behalf of the Board of Directors

	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

Annexure – 2

Report on Performance and Financial Position of the

Subsidiaries and Joint Ventures

of the Company for the year ended 31 March, 2026

There are 11 Subsidiaries, 7 step-down subsidiaries and 1 Joint Venture (JV) company of the Company as on 31 March, 2026. The performance and financial position of these Subsidiaries and JV of the Company and their contribution to the overall performance of the Company for the Financial Year ended 31 March, 2026 are summarised below:

A. SUBSIDIARIES

1. Electrosteel Europe SA, France

Electrosteel Europe SA is a wholly owned subsidiary registered in France with branches in Spain, Italy & Germany. The company is engaged in marketing and selling the products of the Company in Mainland Europe. During current financial year, business activity of this subsidiary has reduced resulting in lower turnover and profitability due to tougher competition. The business activity is expected to improve in next financial year 2026-27.

2. Electrosteel Castings (UK) Ltd., United Kingdom

Electrosteel Castings (UK) Ltd. is a wholly owned subsidiary engaged in marketing and selling the products of the Company in United Kingdom & Republic of Ireland. During current financial year business activity of this subsidiary has improved. The Financial Year 2026-27 is expected to remain good.

3. Electrosteel Algerie SPA, Algeria

Electrosteel Algerie SPA is a wholly owned subsidiary engaged in marketing and selling the products of the Company in Algeria and other African countries. During current financial year business activity of this subsidiary has reduced although the profit has marginally increased due to higher commission on account of improved ocean freights and exchange rates. Efforts are being made to improve the business activity in next financial year 2026-27.

4. Electrosteel USA, LLC, USA and its wholly owned subsidiary, WaterFab LLC, USA

Electrosteel USA, LLC is a wholly owned subsidiary of the Company. This entity, along with its wholly owned subsidiary, WaterFab LLC, is engaged in marketing and selling the Company's products in the USA. During the current financial year, the business performance of the subsidiary showed improvement, supported by healthy order inflows and timely execution of deliveries. Looking ahead, the outlook for Financial Year 2026–27 remains cautiously optimistic, although market conditions are expected to remain somewhat challenging due to subdued housing activity and potential uncertainties arising from evolving trade policies and tariff implementations.

5. Electrosteel Trading, S.A.U, Spain

Electrosteel Trading S.A.U. Spain (Formerly known as Electrosteel Trading S.A. Spain) is a wholly owned subsidiary engaged in marketing and selling the products of the Company in Spain. During current financial year business activity of this subsidiary in respect of profitability has reduced. The Financial Year 2025-26 is expected to be similar.

6. Electrosteel Doha for Trading LLC, Qatar

Electrosteel Doha for Trading LLC is a subsidiary engaged in marketing and selling the products of the Company in Qatar. The Company holds 49% stake and controlling interest in this subsidiary. During current financial year business activity of this subsidiary has shown sign of slowdown due to lesser projects in the market. The outlook of the Company for the next Financial Year 2026-27 appears challenging. Moreover due to ongoing Gulf war there is disruption in supply chain which may temporarily impact the business performance for a short duration.

7. Electrosteel Castings Gulf FZE, UAE

Electrosteel Castings Gulf FZE is a wholly owned subsidiary engaged in marketing and selling the products of the Company in United Arab Emirates and other Middle-East countries. During current financial year business activity of this subsidiary has improved resulting in higher turnover and profitability. The outlook of the Company for the next Financial Year 2026-27 is expected to remain good. However due to ongoing Gulf war there is disruptions in supply chain which may temporarily impact the business performance for a short duration.

8. Electrosteel Bahrain Holding WLL, Bahrain and its wholly owned subsidiary Electrosteel Bahrain Trading WLL

Electrosteel Bahrain Holding WLL was incorporated as a wholly owned subsidiary to act as the holding company. Electrosteel Bahrain Holding WLL incorporated a subsidiary, Electrosteel Bahrain Trading WLL (i.e., step down subsidiary of the Company). This subsidiary mainly caters to the Saudi Arabia and Bahrain market. During current financial year the turnover was in similar line to last year. In case of imposition of Antidumping duty, activity in this subsidiary may go down and as such the Financial Year 2026-27 appears challenging. Moreover, due to ongoing Gulf war there is disruption in supply chain which may temporarily impact the business performance for a short duration.

9. Singardo International Pte Ltd and its wholly owned subsidiary, Electrosteel Vietnam Limited

Singardo International Pte Ltd. is a wholly owned subsidiary engaged in the marketing and sale of the Company's products, as well as the trading of other products, in Singapore and other Southeast Asian countries. During the current financial year, the subsidiary's business performance was adversely affected by a slowdown in the housing and construction industries. Looking ahead, the outlook for FY 2026–27 remains challenging, given the continued softness in market conditions across the sector.

10. Electrosteel Brasil LTDA Tubos e Conexoes Duteis, Brazil

Electrosteel Brasil LTDA Tubos e Conexoes Duteis is a wholly owned subsidiary. There has been no activity through this subsidiary during the Financial Year 2026-27.

11. T.I.S. SERVCE S.P.A and its subsidiaries

T.I.S. Service S.p.A, acquired in July 2025, is a wholly owned subsidiary registered in Italy with step-down subsidiaries in Croatia, Poland, Italy & Turkey. The company is engaged in manfacturing, marketing and selling of valves with two manufacturing facilities in Turkey and Italy. During current financial year, business activity of this subsidiary has been positive. For next financial year 2026-27, we anticipate continued positive performance with sales of pipes and fittings in addition to valves.

B. JOINT VENTURE

1. North Dhadhu Mining Company Private Limited, India

The status of North Dhadhu Mining Company Private Limited, a JV entity, has been covered under Note no. 8.1 of the Notes on Consolidated Financial Statements for the year ended 31 March, 2026.

For and on behalf of the Board of Directors

	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

Annexure – 3

Report on Corporate Governance of the Company

for the year ended 31 March, 2026

[as required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's philosophy on Corporate Governance in brief

The Company's philosophy on Corporate Governance is based on the foundationof ethical and transparent business operations. The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all the stakeholders. The Company is committed to the highest standards of corporate governance, and setting industry-leading benchmarks. Our goal is to promote and protect the long-term interest of all stakeholders while maintaining due compliance with all legal and regulatory requirements. The Company's philosophy on Corporate Governance extends across its business operations to meet the varied needs of all stakeholders and the society at large to create long term sustainable value.

The Company has a proven track record of transparent and ethicalcorporate governance practices. The Company continues tomaintain high standards of transparency and effective leadershipcoupled with ethical business practices. As a Company which believesin implementing corporate governance practices in letter and spirit, the Company has adopted practices mandated by the SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015 ('Listing Regulations'), as amended from time to timeand the Companies Act, 2013 ('Act'), as amended from time to timeand has established procedures and systemsto comply with it. Some of the important codes, policies and programs adopted in this regard are –

- Code of Conduct for the Board of Directors and Senior Management Executives;
- Code of Conduct for regulating, monitoring and reporting trading by Designated Persons and their Immediate Relatives;
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;
- Policy and Procedure for Inquiry in Case of Leak/Suspected Leak of Unpublished Price Sensitive Information;
- Vigil Mechanism/Whistle Blower Policy;
- Related Party Transaction Policy;
- Nomination and Remuneration Policy;
- Corporate Social Responsibility Policy;
- Policy for determining Material Subsidiaries;
- Policy on Board Diversity and Succession Planning for the Board of Director and Senior Management;
- Policy for determination of Materiality of Events/Information for disclosures;
- Familiarization Program for the Independent Directors;
- Dividend Distribution Policy.

2. Board of Directors

2.1 Composition and Category of Directors and number of other Directorship and Committee Positions and the names of the listed entities in which the Director is a Director and the category of such Directorship held as on 31 March, 2026

The Board of Directors of the Company consisted of 18 (eighteen) members as on 31 March, 2026, which comprised of Nine Independent, Non-Executive Directors, including two Independent Woman Directors and Nine Executive Directors.

The non-regular Chairman of the Company is an Independent, Non-Executive Director.

The composition of the Board as on 31 March, 2026 was in accordance with the provisions of the Act and the Regulation 17 of the Listing Regulations. The details of each member of the Board as on 31 March, 2026 are provided herein below:

Name of the Director (Category of Directorship)	Number of Directorship(s) in other public limited companies[1]	No. of committee positions in other public limited companies[2]		Directorship in other listed entities (Category of Directorship)
		Chairperson	Member	
Independent, Non-Executive Directors				
Mr Jinendra Kumar Jain DIN : 00737352 (Independent, Non-Executive Director	–	–	–	–
Mr. Amrendra Prasad Verma DIN: 00236108 (Independent, Non-Executive Director)	2	–	1	GPT Healthcare Ltd. (Independent, Non-Executive)
Dr. Mohua Banerjee DIN: 08350348 (Independent, Non-Executive Director)	–	–	–	–
Mr. Rajkumar Khanna DIN: 05180042 (Independent, Non-Executive Director)	3	–	–	Avonmore Capital & Management Services Ltd. (Independent, Non-Executive) Almondz Global Securities Ltd. (Independent, Non-Executive)
Mr. Vyas Mitre Ralli DIN: 02892446 (Independent, Non-Executive Director)	–	–	–	–

Corporate Governance ..... *(Contd.)*

Name of the Director (Category of Directorship)	Number of Directorship(s) in other public limited companies[1]	No. of committee positions in other public limited companies[2]		Directorship in other listed entities (Category of Directorship)
		Chairperson	Member	
Mr. Bal Kishan Choudhury DIN: 00766032 (Independent, Non-Executive Director)	–	–	–	–
Mr. Virendra Sinha DIN: 03113274 (Independent, Non-Executive Director)	2	1	1	Texmaco Rail & Engineering Limited (Independent, Non-Executive) Andhra Paper Limited (Independent, Non-Executive)
Mrs. Sangeeta Singh DIN: 10593952 (Independent, Non-Executive Director)	3	2	2	Adani Power Limited (Non-Independent, Non-Executive) Belrise Industries Limited (Non-Independent, Non-Executive)
Mr. Bikramjit Ghosh DIN: 00164178 (Independent, Non-Executive Director)	2	–	1	Megatherm Induction Limited Independent Director
Non-Independent, Executive Directors (Managing Directors & Whole-time Directors)				
Mr. Umang Kejriwal DIN: 00065173 (Promoter, Managing Director)	2	–	–	–
Mr. Mayank Kejriwal DIN: 00065980 (Promoter, Joint Managing Director)	5	–	–	–
Mr. Uddhav Kejriwal DIN: 00066077 (Promoter, Whole-time Director)	2	–	–	–
Mr. Sunil Katial DIN: 07180348 (Whole-time Director & CEO)	–	–	–	–
Mr. Ashutosh Agarwal DIN: 00115092 (Whole-time Director & CFO)	–	–	–	–

Name of the Director (Category of Directorship)	Number of Directorship(s) in other public limited companies[1]	No. of committee positions in other public limited companies[2]		Directorship in other listed entities (Category of Directorship)
		Chairperson	Member	
Mrs. Priya Manjari Todi DIN: 01863690 (Whole-time Director)	–	–	–	–
Mrs. Radha Kejriwal Agarwal DIN: 02758092 (Whole-time Director)	4	–	–	–
Mrs. Nityangi Kejriwal Jaiswal DIN: 07129444 (Whole-time Director)	–	–	–	–
Mr. Madhav Kejriwal DIN: 07293471 (Whole-time Director)	5	–	–	–

Notes :

1. Excludes Directorships/Chairpersonships in Associations, Private Limited Companies, Foreign Companies, Government Bodies, Companies registered under Section 8 of the Act and Alternate Directorships.
2. Only Audit Committee and Stakeholders' Relationship Committee of Indian Public Companies have been considered for committee positions.
3. None of the Directors on the Board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31 March, 2026 have been made by the Directors.
4. Mr. Umang Kejriwal and Mr. Mayank Kejriwal are brothers. Mr. Umang Kejriwal is the father of Mrs. Radha Kejriwal Agarwal, Mrs. Nityangi Kejriwal Jaiswal and Mr. Madhav Kejriwal. Mrs. Radha Kejriwal Agarwal, Mrs. Nityangi Kejriwal Jaiswal and Mr. Madhav Kejriwal are siblings. Mr. Mayank Kejriwal is the father of Mr. Uddhav Kejriwal and Mrs. Priya Manjari Todi. Mr. Uddhav Kejriwal and Mrs. Priya Manjari Todi are siblings. Apart from this, none of the other Directors are in any way related to any other Director.
5. Dr. Ajay Kumar(DIN: 01975789) has ceased to be an Independent Director and Chairman of the Company with effect from 15 May, 2025 consequent upon his resignation from the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India.
6. Mr. Rajkumar Khanna was re-appointed as an Independent Director of the Company with effect from 15 June, 2025.
7. Mr. Bikramjit Ghosh was appointed as an Independent Director of the Company with effect from 30 August, 2025.

Corporate Governance ..... *(Contd.)*

2.2 Attendance of Directors at the Board Meetings during the Financial Year ended 31 March, 2026 and at the last Annual General Meeting

During the Financial Year ended 31 March, 2026, 5 (five) Board Meetings were held and the gap between any two consecutive meetings held during the year did not exceed 120 days. The attendance details of each Director at the Board Meetings held during the year and at the last Annual General Meeting ('AGM') are provided below:

Name of the Director	No. of Board Meetings Held during their Tenure	No. of Board Meetings Attended	Attendance at the last AGM held on 27August, 2025
Mr. Jinendra Kumar Jain	5	5	Yes
Mr. Amrendra Prasad Verma	5	5	Yes
Dr. Mohua Banerjee	5	5	No
Mr. Rajkumar Khanna[1]	5	5	Yes
Mr. Vyas Mitre Ralli	5	5	Yes
Mr. Bal Kishan Choudhury	5	5	Yes
Mr. Virendra Sinha	5	5	Yes
Mrs. Sangeeta Singh	5	5	No
Mr. Bikramjit Ghosh[2]	2	2	N.A.
Dr. Ajay Kumar[3]	1	1	N.A.
Mr. Umang Kejriwal	5	5	No
Mr. Mayank Kejriwal	5	5	No
Mr. Uddhav Kejriwal	5	5	No
Mr. Sunil Katial	5	5	Yes
Mr. Ashutosh Agarwal	5	5	Yes
Mrs. Radha Kejriwal Agarwal	5	5	No
Mrs. Nityangi Kejriwal Jaiswal	5	5	No
Mr. Madhav Kejriwal	5	3	No
Mrs. Priya Manjari Todi	5	4	No

Notes :

1. Mr. Rajkumar Khanna was re-appointed as an Independent Director of the Company with effect from 15 June, 2025.
2. Mr. Bikramjit Ghosh was appointed as an Independent Director of the Company with effect from 30 August, 2025.
3. Dr. Ajay Kumar (DIN: 01975789) has ceased to be an Independent Director and Chairman of the Company with effect from 15 May, 2025 consequent upon his resignation from the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India

2.3 Information placed before the Board

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

During the Financial Year 2025-26, information as mentioned in Schedule II (Part A) to the Listing Regulations was placed before the Board for its consideration, to the extent it was applicable and relevant.

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

2.4 Details of Meeting-wise attendance of Board Members

Date of the Board Meeting	Board Strength	No. of Directors Present
10 May, 2025	18	18
28 May, 2025	17	15
6 August, 2025	17	17
10 November, 2025	18	18
6 February, 2026	18	17

2.5 Details of shares/convertible instruments held by the Non-Executiveor Independent Directors of the Company as on 31 March, 2026 are as follows:

Name of the Director	No. of shares held
Mr. Jinendra Kumar Jain	Nil
Mr. Amrendra Prasad Verma	Nil
Dr. Mohua Banerjee	Nil
Mr. Rajkumar Khanna	Nil
Mr. Bal Kishan Choudhury	Nil
Mr. Virendra Sinha	Nil
Mr. Vyas Mitre Ralli	11,100
Mrs. Sangeeta Singh	Nil
Mr. Bikramjit Ghosh	Nil

Note:

1. None of the Non-Executive or Independent Directors hold any convertible instruments and/or Stock Options of the Company as on 31 March, 2026.

2.6 Details of familiarization programmes imparted to the Independent Directors

The details of familiarization programme imparted to the Independent Directors is hosted on the website of the Company at the web-link. https://www.electrosteel.com/admin/pdf/Familiarisation-Programme-for-the-Independent-Directors.pdf

Further, at the time of appointment/re-appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her roles, functions and responsibilities, etc. The terms and conditions of appointment of the Independent Directors are also disclosed on the website of the Company.

2.7 A chart or a matrix setting out the skills/expertise/competence of the Board of Directors

The Board at its meeting held on 27 March, 2019 had identified the below mentioned core skills/expertise/ competencies as required by the Company in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

CORE COMPETENCIES & EXPERTISE

Industry / Sector related knowledge
Business and Management Experience
Operations and Management Experience

Corporate Governance ..... *(Contd.)*

Audit and Compliance
Finance and Accounting
Corporate Governance and Ethics
Strategy Development, Planning and Implementation
Stakeholder Management
Compliance and Legal / Regulatory Experience
Sales and Marketing
Human Resources Management
Risk Management
Industrial Relations

OTHER COMPETENCIES/SKILLS

Information Technology
Entrepreneurship
Economics
Strategic thinking and Planning skill
Leadership /Teamwork skills
Critical Thinking/Problem Solving Skills
Analysis and use of information
Decision making
Branding and Communication
Plant Operations
General Administration
Profit Centre Head
Operations and Manufacturing
Business and Product Development
Purchase
Marketing and Export

The table below expresses the specific areas of focus or expertise of individual Board members:

Name of the Director	Core Skills/Expertise/Competencies
Mr. Jinendra Kumar Jain	a) Industry / Sector related knowledge b) Finance and Accounting c) Corporate Governance and Ethics
Mr. Amrendra Prasad Verma	a) Finance and Accounting b) Corporate Governance and Ethics c) Risk Management
Dr. Mohua Banerjee	a) Sales and Marketing b) Business and Management Experience
Mr. Rajkumar Khanna	a) Industry / Sector related knowledge b) Finance and Accounting c) Corporate Governance and Ethics d) Sales and Marketing

Name of the Director	Core Skills/Expertise/Competencies
Mr. Vyas Mitre Ralli	a) Industry / Sector related knowledge b) Operations and Management Experience c) Corporate Governance and Ethics
Mr. Bal Kishan Choudhury	a) Finance and Accounting b) Compliance and Legal / Regulatory Experience c) Corporate Governance and Ethics
Mr. Virendra Sinha	a) Industry / Sector related knowledge b) Operations and Management Experience c) Strategy Development, Planning and Implementation
Mrs. Sangeeta Singh	a) Business and Management Experience b) Finance and Accounting c) Compliance and Legal / Regulatory Experience
Mr. Bikramjit Ghosh	a) Finance and Accounting b) Strategy Development, Planning and Implementation
Mr. Umang Kejriwal	a) Industry / Sector related knowledge b) Finance and Accounting c) Operations and Management Experience d) Corporate Governance and Ethics e) Strategy Development, Planning and Implementation f) Human Resources Management g) Risk Management
Mr. Mayank Kejriwal	a) Industry / Sector related knowledge b) Finance and Accounting c) Operations and Management Experience d) Corporate Governance and Ethics e) Strategy Development, Planning and Implementation f) Human Resources Management
Mr. Uddhav Kejriwal	a) Industry / Sector related knowledge b) Finance and Accounting c) Operations and Management Experience d) Corporate Governance and Ethics e) Strategy Development, Planning and Implementation f) Human Resources Management
Mr. Sunil Katial	a) Industry / Sector related knowledge b) Operations and Management Experience c) Strategy Development, Planning and Implementation
Mr. Ashutosh Agarwal	a) Industry / Sector related knowledge b) Finance and Accounting c) Operations and Management Experience d) Corporate Governance and Ethics e) Strategy Development, Planning and Implementation
Mrs. Priya Manjari Todi	a) Industry / Sector related knowledge b) Operations and Manufacturing c) Purchase d) Marketing and Export

Corporate Governance ..... *(Contd.)*

Name of the Director	Core Skills/Expertise/Competencies
Mrs. Radha Kejriwal Agarwal	a) Industry / Sector related knowledge b) Plant Operations c) Human Resources, Industrial Relations d) Information Technology e) General Administration
Mrs. Nityangi Kejriwal Jaiswal	a) Industry / Sector related knowledge b) Profit Centre Head c) Branding and Communication d) Sales and Marketing
Mr. Madhav Kejriwal	a) Industry / Sector related knowledge b) Sales and Marketing c) Business and Product Development d) Strategy Development, Planning and Implementation

2.8 Confirmation as regards independence of Independent Directors

The Independent Directors of the Company have confirmed that:

a) they meet the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and

b) in terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Listing Regulations and are independent of the management of the Company.

2.9 Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

Dr. Ajay Kumar (DIN: 01975789) has resigned as an Independent Director and Chairman of the Company with effect from 15 May, 2025.

Dr. Kumar, vide his letter dated 15 May, 2025 has tendered his resignation from the position of Independent Director and Chairman on the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India. He has also confirmed that there were no other material reasons for his resignation other than those mentioned by him.

3. Audit Committee

The composition, quorum and terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Act and Regulation 18 read with Schedule II (Part C) to the Listing Regulations.

The Committee comprised of the following Directors as its members, as on 31 March, 2026:

Mr. Jinendra Kumar Jain, Chairman - Independent Director
Mr. Amrendra Prasad Verma - Independent Director
Mr. Sunil Katial - Whole-time Director
Mr. Rajkumar Khanna - Independent Director
Dr. Mohua Banerjee - Independent Director

The representatives of Statutory Auditors, Internal Auditors as well as the Executives heading the Finance, Accounts and other Departments of the Company are invited to attend meetings as and when required by the Committee. All members of the Audit Committee are financially literate and have accounting and related financial management expertise. Mr. Jinendra Kumar Jain, the Chairperson of the Committee was present at the 70th Annual General Meeting of the Company held on 27August, 2025 to answer queries raised by the shareholders. The Company Secretary acts as the Secretary to the Audit Committee. During the year under review, the Board had accepted all the recommendations of Audit Committee.

The broad terms of reference of the Audit Committee, inter-alia, includes the following:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

ii. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;

iii. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

iv. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by management;

   d. Significant adjustments made in the financial statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to financial statements;

   f. Disclosure of any related party transactions;

   g. Modified opinion(s) in the draft audit report;

v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi. Monitoring and reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

vii. Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems;

Corporate Governance ..... *(Contd.)*

xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with Internal Auditors of any significant findings and follow up there on;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. To review the functioning of the whistle blower mechanism;

xix. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate;

xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

xxi. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the company and its shareholders;

xxiii. To carry out any other function as mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;

xxiv. To perform such other functions as may be necessary or appropriate for the performance of its duties;

xxv. Review the following information:

a) Management Discussion and Analysis of financial condition and results of operations;

b) Functioning of the Vigil Mechanism

c) Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

d) Internal Audit Reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;

f) The statement of deviations:

i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

ii. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

During the Financial Year 2025-26, 4 (four) Audit Committee meetings were held on 10 May, 2025, 6 August, 2025, 10 November, 2025 and 6 February, 2026. Attendance at the meetings held during the year is given below:

Name of the Director	No. of meetings during their tenure	
	Held	Attended
Mr. Jinendra Kumar Jain	4	4
Mr. Rajkumar Khanna	4	4
Mr. Amrendra Prasad Verma	4	4
Mr. Sunil Katial	4	4
Dr. Mohua Banerjee	4	4

4. Nomination and Remuneration Committee

There is a Nomination and Remuneration Committee in place with roles, powers and duties to be determined by the Board from time to time. Its terms of reference are in accordance with the provisions of Section 178 of the Act and Regulation 19(4) read with Schedule II (Part D) of the Listing Regulations.

The Nomination and Remuneration Committee comprised of the following Directors as its members, as on 31 March, 2026:

Mr. Rajkumar Khanna, Chairman – Independent Director

Mr. Vyas MitreRalli – Independent Director

Mr. Jinendra Kumar Jain – Independent Director

Notes :

a) Dr. Ajay Kumar (DIN: 01975789) has ceased to be an Independent Director and Chairman of the Company with effect from 15 May, 2025 consequent upon his resignation from the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India. Accordingly, he has ceased to be a member of the Nomination and Remuneration Committee with effect from 15 May, 2025.

b) All members of the Committee are Non-Executive Directors. Mr. Rajkumar Khanna, Independent Director, was the Chairperson of the Committee and was present at the 70th Annual General Meeting of the Company held on 27August, 2025 to answer shareholder queries.

The terms of reference of the Nomination and Remuneration Committee, inter-alia, includes the following:

i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;

ii. for every appointment of an independent director, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director;

iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;

iv. devising a policy on diversity of board of directors;

v. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and

Corporate Governance ..... *(Contd.)*

removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

vii. recommend to the board, all remuneration, in whatever form, payable to senior management;

viii. to carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;

ix. to perform such other functions as may be necessary or appropriate for the performance of its duties.

The Board has adopted a Nomination and Remuneration Policy recommended by the Committee. Nomination and Remuneration Policy governs the criteria for determining qualifications, positive attributes and independence of a Director and lays down the remuneration principles for Directors, Key Managerial Personnel and other employees. The Committee had also formulated the Policy on Board Diversity and Succession Planning for the Board of Directors and Senior Management.

During the Financial Year 2025-26, 3 (three) meetings of the Nomination and Remuneration Committee were held on 10 May, 2025, 10 November, 2025 and 6 February, 2026. Attendance at the meetings held during the year is provided below:

Name of the Director	No. of meetings during their Tenure	
	Held	Attended
Mr. Rajkumar Khanna	3	3
Mr. Vyas Mitre Ralli	3	3
Mr. Jinendra Kumar Jain	3	3

The Committee has laid down the criteria for performance evaluation of Independent Directors of the Company as:

Evaluation of Non-Executive Directors

The broad parameters for reviewing the performance of Non-Executive Directors are:

- Participation at the Board/Committee meetings;
- Commitment (including guidance provided to senior management outside of Board/Committee meetings);
- Effective deployment of knowledge and expertise;
- Effective management of relationship with stakeholders;
- Integrity and maintaining of confidentiality;
- Independence of behaviour and judgment; and
- Impact and influence.

Evaluation of Independent Directors

In addition to the parameters laid down for Non-Executive Directors, an Independent Director shall also be evaluated on the following parameters:

- Exercise of objective independent judgment in the best interest of Company;
- Ability to contribute to and monitor Corporate Governance practice; and
- Adherence to the Code of Conduct for Independent Directors.

5. Stakeholders' Relationship Committee

The composition and terms of reference of the Stakeholders' Relationship Committee are in accordance with the provisions of Section 178 of the Act and Regulation 20 read with Schedule II (Part D) of the Listing Regulations.

The Stakeholders' Relationship Committee comprised of the following Directors as its members, as on 31 March, 2026:

Mr. Jinendra Kumar Jain, Chairman – Independent Director

Mr. Mayank Kejriwal – Joint Managing Director

Mr. Vyas Mitre Ralli – Independent Director

Dr. Mohua Banerjee – Independent Director

Mr. Jinendra Kumar Jain was present at the 70th Annual General Meeting of the Company held on 27August, 2025 to answer shareholder queries. Mr. Indranil Mitra, Company Secretary and Compliance Officer, acts as the Secretary to Stakeholders' Relationship Committee.

The terms of reference of the Stakeholders' Relationship Committee, inter-alia, includes the following:

i. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, issue of fresh/duplicate debenture certificate, general meetings, etc.

ii. Review of measures taken for effective exercise of voting rights by shareholders.

iii. Oversee the performance of the Registrar & Share Transfer Agent of the Company.

iv. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

v. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

vi. Review and monitor implementation and compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

vii. Recommend measures for the overall improvement of the quality of investor services and related matter.

viii. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

ix. Carryout any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

x. Perform such other functions as may be necessary or appropriate for the performance of its duties.

Corporate Governance ..... *(Contd.)*

During the Financial Year 2025-26, 4 (four) Stakeholders' Relationship Committee meetings were held on 10 May, 2025, 6 August, 2025, 10 November, 2025 and 6 February, 2026. Attendance at the said meetings are provided below:

Name of the Director	No. of meetings during their Tenure	
	Held	**Attended**
Mr. Jinendra Kumar Jain	4	4
Dr. Mohua Banerjee	4	4
Mr. Mayank Kejriwal	4	4
Mr. Vyas Mitre Ralli	4	4

At the beginning of the year under review, there was no complaint remaining unresolved. During the period under review, 16 (Sixteen) investor complaints were received by the Registrar & Share Transfer Agent of the Company, which were duly resolved to the satisfaction of the shareholders.

There was no pending complaint at the end of the year.

6. Risk Management Committee

The composition and terms of reference of the Risk Management Committee are in accordance with the provisions of Regulation 21 of the Listing Regulations.

The Risk Management Committee comprised of the following Directors as its members, as on 31 March, 2026:

Mr. Bal Kishan Choudhury, Chairman – Independent Director

Mr. Vyas Mitre Ralli – Independent Director

Mr. Sunil Katial – Whole-time Director and CEO

The terms of reference of the Risk Management Committee, inter-alia, includes the following:

i. formulate a detailed Risk Management Policy, which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (b) Measures for risk mitigation, including systems and processes for internal control of identified risks.

   (c) Business Continuity Plan.

ii. ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

iii. monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.

iv. periodically review the Risk Management Policy, at least once in two years, by considering the changing industry dynamics and evolving complexity.

v. keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.

vi. review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

vii. carry out any other function as may be mandated by the Board, from time to time and/or enforced/required by any statutory notification, amendment or modification, as may be applicable.

During the Financial Year 2025-26, 2 (two) Risk Management Committee meetings were held on 10 May, 2025 and 10 November, 2025. Attendance at the said meetings are provided below:

Name of the Director	No. of meetings during their Tenure	
	Held	Attended
Mr. Bal Kishan Choudhury	2	2
Mr. Vyas Mitre Ralli	2	2
Mr. Sunil Katial	2	2

7. Corporate Social Responsibility and Sustainability Committee

For the purpose of aligning the nomenclature of the Corporate Social Responsibility Committee with the evolving focus on Environment, Social and Governance (ESG) factors and to ensure compliance with the Business Responsibility and Sustainability Report (BRSR), the name of the "Corporate Social Responsibility Committee" has been changed to "Corporate Social Responsibility and Sustainability Committee" ("CSRS Committee") with effect from 10 November, 2025.

The modified responsibilities of the Committee in commensurate with its change in nomenclature shall include the following:

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which indicates the activities to be undertaken by the Company in areas or subjects specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause above;
- Monitor the CSR Policy of the Company from time to time;
- Formulate and recommend to the Board, an annual action plan in pursuance of the CSR policy;
- Oversee the Company's sustainability commitments;
- Identify relevant and material sustainability issues and develop comprehensive sustainability strategies with goals, targets, mitigation and adaptation action plans to address them and establish the governance mechanism to oversee the performance.
- Embody principles of product stewardship by enhancing health, safety, environmental and social impacts of products across their lifecycles

The composition and terms of reference of the CSRS Committee are in accordance with the provisions of Section 135 of the Act. As on 31 March, 2026, the CSRS Committee of the Company was headed by Mr. Jinendra Kumar Jain, Independent and Non-Executive Director, as the Chairman. The other members of the Committee are Mr. Vyas Mitre Ralli, Independent Director and Mr. Umang Kejriwal, Managing Director.

The Board has adopted the CSR Policy as formulated and recommended by the CSRS Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the Financial Year 2025-26 forms a part of the Report of the Directors.

During the Financial Year 2025-26, 3 (three) CSRS Committee meetings were held on 10 May, 2025, 6 August, 2025 and 6 February, 2026. Attendance at the meetings held during the year is provided below:

Name of the Director	No. of meetings during their Tenure	
	Held	Attended
Mr. Jinendra Kumar Jain	3	3
Mr. Vyas Mitre Ralli	3	3
Mr. Umang Kejriwal	3	3

Corporate Governance ..... *(Contd.)*

8. Particulars of Senior Management

The details of the Senior Management Personnel of the Company identified in accordance with the Act and Regulation 16(1)(d) of the Listing Regulations, as recommended by the Nomination & Remuneration Committee and approved by the Board, as on 31st March, 2026, are given below:

Sl. No.	Name	Designation
1	Mr. Indranil Mitra	Company Secretary & Compliance Officer
2	Mr. Santanu Nandan Goswami	CEO – SW Works
3	Mr. Pankaj Poddar	Executive Director–Chief Marketing Officer
4	Mr. Suresh Khandelwal	Executive Director – SW Works
5	Mr. Rajiv Prakash	Dy. Chief Operating Officer
6	Mr. Rajesh Daga	President (Sales & Marketing)
7	Mr. Piush Lohia	President (Exports & OMC)
8	Mr. Manoj Kumar Thakur	President – Growth, Business Control and Coal
9	Mr. J P Jena	Senior Vice President, HRM
10	Mr. Raj Kumar Gupta	Senior Vice President (Materials Management)
11	Mr. R. M Gupta	Senior Vice President, DIP
12	Mr. Sudarshan Mimani	Senior Vice President
13	Mr. Rashmi Ranjan Das	Senior Vice President
14	Mr. Anand Singh	Head - Commercial
15	Mr. M. S. Krishna	Vice President - Finance
16	Mr. Chandrasekhar M	Vice President - Projects

9. Remuneration of Directors

The Non-Executive Directors did not have any pecuniary relationship or transactions (except receipt of sitting fees and commission as Directors) with the Company for the year under review.

Further, the Board of Directors of the Company at its meeting held on 18 May, 2026, has approved the payment of commission to the Non-Executive Directors, including Independent Directors, as mentioned hereinunder.

The criteria for making payments to Non-Executive Directors is laid down in the Nomination and Remuneration Policy of the Company and can be accessed atthe web-link,
https://www.electrosteel.com/admin/pdf/1608020082nominationRemunerationPolicy.pdf .

Details of remuneration paid to Directors for the Financial Year 2025-26

i. Remuneration paid to Independent & Non-Executive Directors: (In Rupees)

Name of the Director	Sitting Fees[1]	Commission paid/payable[2]	Total
Mr. Jinendra Kumar Jain	7,20,000	7,00,000	14,20,000
Mr. Amrendra Prasad Verma	5,20,000	7,00,000	12,20,000
Dr. Mohua Banerjee	5,80,000	7,00,000	12,80,000
Mr. Rajkumar Khanna	6,20,000	7,00,000	13,20,000
Mr. Bal Kishan Choudhury	3,60,000	7,00,000	10,60,000
Mr. Virendra Sinha	3,20,000	7,00,000	10,20,000
Mr. Vyas Mitre Ralli	5,60,000	7,00,000	12,60,000
Mrs. Sangeeta Singh	3,00,000	7,00,000	10,00,000
Mr. Bikramjit Ghosh	1,50,000	7,00,000	8,50,000
Dr. Ajay Kumar	70,000	–	70,000
Total	**42,00,000**	**63,00,000**	**1,05,00,000**

Notes :

1. The amount of sitting fees for attending Board meetings, Audit Committee meetings and the meeting of Independent Directors is Rs.50,000 per meeting. The fees for attending any other meeting is fixed at Rs. 20,000 per meeting. The Directors are also entitled to reimbursement of expenses for participation in Board and other meetings.
2. The Members at the 69th AGM of the Company held on 23 August, 2024 had approved payment and distribution of Commission amongst Directors (other than Executive Directors) for a period of 3 years commencing from 1 April, 2024, in such amounts or proportions and in such manner as may be decided by the Board.

ii. Remuneration paid to Executive Directors: (In Rupees)

Name of the Director & Designation	Salary	Perquisites	Commission paid/payable	Total	Service Contract, etc.
Mr. Umang Kejriwal, Managing Director	1,80,00,000	1,22,66,085	–	3,02,66,085	Tenure of 5 years w.e.f. 1 April, 2022
Mr. Mayank Kejriwal, Joint Managing Director	1,80,00,000	1,30,26,887	–	3,10,26,887	Tenure of 5 years w.e.f. 1 April, 2022
Mr. Uddhav Kejriwal, Whole-time Director	1,10,71,000	94,07,501	–	2,04,78,501	Tenure of 3 years w.e.f. 16 June, 2026
Mrs. Priya Manjari Todi, Whole-time Director	61,57,429	1,27,98,963	–	1,89,56,392	Tenure of 3 years w.e.f. 14 February, 2025
Mrs. Radha Kejriwal Agarwal, Whole-time Director	16,17,357	33,49,399	–	49,66,756	Tenure of 5 years w.e.f. 14 February, 2025
Mrs. Nityangi Kejriwal Jaiswal, Whole-time Director	59,99,586	1,24,54,864	–	1,84,54,450	Tenure of 5 years w.e.f. 14 February, 2025
Mr. Madhav Kejriwal, Whole-time Director	59,99,586	1,24,54,864	–	1,84,54,450	Tenure of 5 years w.e.f. 14 February, 2025
Mr. Sunil Katial, Whole-time Director and Chief Executive Officer	1,07,22,000	2,13,04,279	–	3,20,26,279	Tenure of 5 years w.e.f. 1 April, 2026
Mr. Ashutosh Agarwal, Whole-time Director and Chief Financial Officer	65,16,000	1,41,58,236	–	2,06,74,236	Tenure of 3 years w.e.f. 3 January, 2025
Total	**8,40,82,958**	**11,12,21,078**	**–**	**19,53,04,036**	

Corporate Governance ..... *(Contd.)*

Notes:

1. The appointments of Mr. Umang Kejriwal, Mr. Mayank Kejriwal, Mr. Uddhav Kejriwal, Mrs. Priya Manjari Todi, Mrs. Radha Kejriwal Agarwal, Mrs. Nityangi Kejriwal Jaiswal, Mr. Madhav Kejriwal, Mr. Sunil Katial and Mr. Ashutosh Agarwal, can be terminated by either party by giving 3 (three) months' notice in writing. There is no separate provision for payment of severance fees.
2. No Stock Options have been granted to any Executive Directors of the Company.

10. Subsidiary Companies

The Audit Committee reviews the financial statements, in particular the investments made by the Company's unlisted subsidiary companies. The minutes of the board meetings of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company has one material unlisted subsidiary company, Electrosteel Europe S.A., as on 31 March, 2026.

11. General Body Meetings

a. Location and time, where last three Annual General Meetings ('AGM') were held:

Year	Location	Date	Time	Whether special resolutions passed
2024-25	The meeting was held via Video conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue of the meeting was Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017	27 August, 2025*	11.30 A.M.	Yes, 1 (One) 1. Re-appointment of Mr. Rajkumar Khanna as an Independent Director of the Company for a second term of 5 years
2023-24	The meeting was held via Video conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue of the meeting was Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017	23 August, 2024*	11.30 A.M.	Yes, 1 (One) 1. Payment of Remuneration, other than sitting fees, to Non-Executive Directors of the Company, including in case of no / inadequate profits.
2022-23	The meeting was held via Video conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue of the meeting was Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017	11 September, 2023*	11.30 A.M.	Yes, 1 (One) 1. Re-appointment of Mr. Uddhav Kejriwal (DIN: 00066077) as a Whole-time Director of the Company.

* M/s. Bihani Rashmi & Co., Chartered Accountants, was appointed as the Scrutinizer for scrutinizing the voting process (through remote e-voting and e-voting at the Meeting) for and at the AGMs held on 27 August, 2025, 23 August, 2024 and11 September, 2023 and submitting Report thereon.

b. During the Financial Year 2025-26 a Postal Ballot Process was conducted by the Company vide Notice dated 30 August, 2025 to propose the Special Resolution detailed hereinbelow, which was passed by the members of the Company on 16 November, 2025. Ms. Rashmi Bihani (Membership No.: FCA 064298) of M/s. Bihani Rashmi & Co., Chartered Accountants, 5, Clive Row, (4th floor), Room No. 92A, Kolkata – 700 001, was appointed by the Board of Directors as the Scrutinizer, after receiving her consent for the same, for conducting the Postal Ballot voting process (including e-voting) in a fair and transparent manner. The following was the Result of the Postal Ballot as per the Scrutinizer's Report:

Sl. No.	Item of Business	% of Votes in favour	% of Votes against	Passed as
Special Business:				
1.	Appointment of Mr. Bikramjit Ghosh (DIN: 00164178) as an Independent Director of the Company.	99.49	0.51	Special Resolution

Note: % has been rounded off to two decimal figures.

Procedure of Postal Ballot:

The Company had, on 17 October, 2025, completed dispatch of Postal Ballot Notice through electronic mode, to the Members of the Company who had registered their e-mail IDs with the Depository Participant(s) / Company, to transact Special Business as mentioned in the Notice, which was proposed to be passed by the Members of the Company through electronic means.

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Listing Regulations, the Members were provided with the facility to cast their vote electronically instead of dispatching the physical Postal Ballot Form by post. The Company had engaged the services of National Securities Depository Limited ('NSDL') for the purpose of providing e-voting facility to all its Members.

The e-voting period commenced on Saturday, 18 October, 2025 at 09:00 A.M., IST and ended on Sunday, 16 November, 2025 at 05:00 P.M., IST.

The Scrutinizer, upon completion of the scrutiny of votes cast through electronic means, submitted her Report, dated 17 November, 2025, to Mr. Indranil Mitra, Company Secretary of the Company, duly authorised by the Chairman of the Company for receipt of the Report, who countersigned the same, and the Result of the Postal Ballot was declared on 17 November, 2025 at the Corporate Office of the Company. The Result of the Postal Ballot, along with the Scrutinizer's Report, were posted under the 'Investors' section on the Company's website, www.electrosteel.com and were also displayed on the Notice Boards of the Company at its Registered Office and at its Corporate Office. The Result of the Postal Ballot was simultaneously communicated to all the Stock Exchanges where the equity shares of the Company were listed and to NSDL.

c. During the Financial Year 2025-26 another Postal Ballot Process was conducted by the Company vide Notice dated 6 February, 2026 to propose the Special Resolution detailed hereinbelow, which was passed by the members of the Company on 12 April, 2026. Ms. Rashmi Bihani (Membership No.: FCA 064298) of M/s. Bihani Rashmi & Co., Chartered Accountants, 5, Clive Row, (4th floor), Room No. 92A, Kolkata – 700 001, was appointed by the Board of Directors as the Scrutinizer, after receiving her consent for the same, for conducting the Postal Ballot voting process (including e-voting) in a fair and transparent manner. The following was the Result of the Postal Ballot as per the Scrutinizer's Report:

Sl. No.	Item of Business	% of Votes in favour	% of Votes against	Passed as
Special Business:				
1.	Re-appointment of Mr. Sunil Katial (DIN: 07180348) as a Whole-time Director and Chief Executive Officer (CEO) of the Company.	94.98	5.02	Special Resolution

Note: % has been rounded off to two decimal figures.

Corporate Governance ..... *(Contd.)*

Procedure of Postal Ballot:

The Company had, on 13 March, 2026, completed dispatch of Postal Ballot Notice through electronic mode, to the Members of the Company who had registered their e-mail IDs with the Depository Participant(s) / Company, to transact Special Business as mentioned in the Notice, which was proposed to be passed by the Members of the Company through electronic means.

In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Listing Regulations, the Members were provided with the facility to cast their vote electronically instead of dispatching the physical Postal Ballot Form by post. The Company had engaged the services of National Securities Depository Limited ('NSDL') for the purpose of providing e-voting facility to all its Members.

The e-voting period commenced on Saturday, 14 March, 2026 at 09:00 A.M., IST and ended on Sunday, 12 April, 2026 at 05:00 P.M., IST.

The Scrutinizer, upon completion of the scrutiny of votes cast through electronic means, submitted her Report, dated 13 April, 2026, to Mr. Indranil Mitra, Company Secretary of the Company, duly authorised by the Chairman of the Company for receipt of the Report, who countersigned the same and the Result of the Postal Ballot was declared on 13 April, 2026 at the Corporate Office of the Company. The Result of the Postal Ballot, along with the Scrutinizer's Report, were posted under the 'Investors' section on the Company's website, www.electrosteel.com and were also displayed on the Notice Boards of the Company at its Registered Office and at its Corporate Office. The Result of the Postal Ballot was simultaneously communicated to all the Stock Exchanges where the equity shares of the Company were listed and to NSDL.

d. As on date, no other special resolution is proposed to be conducted through Postal Ballot.

12. Means of Communication

The Company's quarterly/half-yearly/yearly financial results are published in national English newspaper(s) as well as newspaper(s) published in vernacular language of the region where the Registered Office of the Company is situated, such as, The Economic Times (all editions, in English) and Pratidin (in Odia). The Company also submits its releases and financial results to the Stock Exchanges on which the securities of the Company are listed, i.e., National Stock Exchange of India Limited and BSE Limited. The Company's results and official news releases, presentations made to institutional investors or to the analysts, if any, are also displayed on the Company's website, www.electrosteel.com.

13. General Shareholder Information

a)	Date, time and venue of the next Annual General Meeting	31 August, 2026, at 11.30 A.M., via Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed venue of the Meeting shall be Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017, India
b)	Financial Year	1 April, 2025 to 31 March, 2026
c)	Dividend payment date	Dividend for the Financial Year ended 31 March, 2026, if any, declared by the shareholders at the ensuing AGM will be paid to the shareholders within 30 days of declaration.
d)	Listing at Stock Exchanges Equity Shares & its Stock Codes at Stock Exchanges	a) BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 (Scrip Code – 500128)

		b) National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 (Symbol – ELECTCAST) ISIN for Equity Shares - INE086A01029
e)	Listing Fee to Stock Exchanges	Annual Listing Fees have been paid to BSE and NSE.
f)	In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not applicable as none of the securities of the Company are suspended from trading.
g)	Registrar and Share Transfer Agent	Maheshwari Datamatics Pvt. Ltd., Registered Office: 23 R. N. Mukherjee Road, 5th Floor, Kolkata 700 001 Telephone No.: 033 2248 2248/2243 5029 Fax No.: 033 2248 4787 E-mail ID: mdpldc@yahoo.com
h)	Share transfer system	Effective 1 April, 2019, SEBI has amended Regulation 40 of the Listing Regulations, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. The Company had sent necessary intimations to its shareholders regarding the restriction on transfer of securities in the physical form. Further, pursuant to the circular dated 30 January, 2026 issued by SEBI, a special window has been made available from 5 February, 2026 to 4 February, 2027 for facilitating transfer and dematerialization of physical securities sold or purchased prior to 1 April, 2019. Eligible cases, including fresh lodgements and requests earlier rejected/returned, may be re-lodged subject to submission of original share certificates, duly executed transfer deeds and prescribed documents. Securities transferred under this facility are mandatorily credited in dematerialized form and are subject to a lock-in period of one year from the date of registration of transfer.

Corporate Governance ..... *(Contd.)*

i) Distribution of shareholding as on 31 March, 2026:

Equity Shares held	No. of Shareholders	% of Total Shareholders	No. of Shares held	% of Shares held
Upto 500	138507	78.29	1,79,93,881	2.91
501 to 1,000	17244	9.75	1,35,27,978	2.19
1,001 to 2,000	9800	5.54	1,48,58,146	2.40
2,001 to 3,000	3551	2.01	91,31,817	1.48
3,001 to 4,000	1727	0.97	62,37,422	1.01
4,001 to 5,000	1379	0.78	65,04,366	1.05
5,001 to 10,000	2383	1.35	1,75,87,914	2.85
10,001 and Above	2322	1.31	53,23,43,067	86.11
Total	**176,913**	**100.00**	**61,81,84,591**	**100.00**

Note: % figures have been rounded off to nearest two decimal points.

Shareholding Pattern as on 31 March, 2026:

Category of Shareholders	No. of Shares held	% of total shares
(A) Promoter and Promoter Group		
(1) Individual	5,29,55,665	8.57
(2) Bodies Corporate	25,69,69,637	41.56
Sub-total (A)	**30,99,25,302**	**50.13**
(B) Non-Promoters		
(1) Mutual Funds	9,89,339	0.16
(2) Alternate Investment Funds	2,57,256	0.04
(3) Banks	31,320	0.01
(4) Insurance Companies	97,277	0.02
(5) NBFCs registered with RBI	22,250	0.00
(6) Foreign Portfolio Investors	9,72,50,535	15.73
(7) Central Government / State Government(s) / President of India	14,38,125	0.23
(8) Individuals	15,54,10,372	25.14
(9) NRIs	69,98,531	1.13
(10) Foreign Nationals	4,000	0.00
(11) Foreign Companies	–	0.00
(12) Bodies Corporate	2,89,51,774	4.68
(13) IEPF	26,80,335	0.43
(14) Any Other		
Unclaimed Shares Account	14,905	0.00
Trusts	5,460	0.00
HUF	86,42,169	1.40
Clearing Member	4,63,035	0.08
LLP	50,02,606	0.81
Sub-total (B)	**30,82,59,289**	**49.87**
Total Shareholding (A+B)	**61,81,84,591**	**100.00**

j)	Dematerialization of shares and liquidity	As per directives of SEBI, the Company's shares are tradable compulsorily in electronic form. The Company's shares are available for dematerialization at National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL'). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE086A01029. As on 31 March, 2026, 99.69% of the shares of the Company stand dematerialized.
k)	Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / warrants or any convertible instruments, conversion date and likely impact on equity	There are no outstanding GDR/ADR/warrants or any convertible instruments as on 31 March, 2026.
l)	Commodity price risk or foreign exchange risk and hedging activities	The Company is exposed to foreign exchange risk on account of import and export transactions entered. Also, it is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines, risk management plan/policies and prevailing market scenario. This is periodically reviewed by senior management team. The Board monitors the foreign exchange exposures on a quarterly basis and the steps taken by management to limit the risks of adverse exchange rate movement. Similarly, the management monitors commodities/raw materials whose prices are volatile and procurement is contracted considering volatility and plant requirements to minimize risk on the same. Commodities form a major part of the raw materials required for Company's Products portfolio and hence Commodity price risk is one of the important market risk for the Company. Your Company has mechanisms in place to ensure that the organisation is adequately protected from the market volatility in terms of price and availability. Your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Consequently, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15 November, 2018.
m)	Plant locations:	Unit 1 : 30, 48 & 49 B.T. Road, P. O. Sukchar, P.S. Khardah, Dist.: 24-Parganas (North), Kolkata - 700 115, 700 116, 700 117 (West Bengal) Unit 2 : Srikalahasthi Works Rachagunneri 517641, Srikalahasthi Mandal, Trupati District, Andhra Pradesh

Corporate Governance ..... *(Contd.)*

		Unit 3 : Vill: Kashberia, P.O. Shibramnagar, Haldia, Purba Medinipur, West Bengal 721 635 Unit 4 : Gummidipoondi Taluk, P.O. Elavur, District Tiruvallur, Tamil Nadu 601 201 Unit 5 : Works: Chak Bansberia, Saptagram Gram Panchayat, P.O. Adcconagar, Hooghly 712 121 West Bengal Unit 6 : Vill: Aradigunta, Punganuru Mandal, Aradigunta, Chittoor, Andhra Pradesh 517247
n)	Address for Correspondence:	Mr. Indranil Mitra Company Secretary Electrosteel Castings Limited G. K. Tower, 19 Camac Street, Kolkata 700 017 Phone: (033) 2283 9990 E-mail ID: companysecretary@electrosteel.com

o) List of Credit Ratings

During the year, India Ratings and Research (Ind-Ra) has maintained the Company's Long-Term Issuer Rating at 'IND AA' and reaffirmed its rating on the short term bank facilities as "IND A1+" with a Stable Outlook.

CRISIL Ratings has revised the outlook of the Company's Long-Term Issuer Rating to 'CRISIL AA/Negative' from 'CRISIL AA/Stable' and reaffirmed its rating on the short-term bank facilities as 'CRISIL A1+' with a Stable Outlook.

14. Other Disclosures

A. Materially significant related party transactions having potential conflict with the interest of the Company at large

There were no materially significant related party transactions which may have potential conflict with the interest of the Company at large. Details of related party transactions are presented in the Notes to the Financial Statements.

B. Details of Non-Compliance, Penalties/Strictures imposed by Stock Exchanges/SEBI or any Statutory Authority, on any matter related to Capital Markets during last 3 years

The Company has complied with the requirements of the stock exchange(s)/ SEBI and statutory authorities on all matters related to capital markets during the last three years. There were no penalties or strictures imposed on the Company by the stock exchange(s), SEBI or any statutory authority in any matter related to capital markets except the following:

1. BSE Ltd. and National Stock Exchange of India Ltd have levied fine as per SEBI Master Circular SEBI/HO/CFD/

PoD2/CIR/P/0155 dated November 11, 2024, on account of a delay of 14 days in filling up a vacancy in the office of an Independent Director of the Company.

The Company has duly paid the amounts of fine on 8 December, 2025.

2. BSE Ltd. and National Stock Exchange of India Ltd had levied fine as per SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 (Chapter-VII(A)-Penal Action for Non-Compliance), on account of one day delay in uploading voting results in XBRL format due to a temporary technical glitch. However, the signed copy of the voting results was uploaded within the stipulated time frame.

   The Company has paid the amounts of fine on 28 February, 2025 under protest.

3. SEBI had passed a settlement order dated 20 February, 2025 in respect of 15 entities including certain promoters/promoter group entities, directors and key managerial personnel in connection with the Show Cause Notice dated 26 February, 2024 for the alleged violation of certain provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with SEBI Act, 1992.

   Settlement Applications were filed by the applicants proposing to settle, without admitting or denying the findings of fact and conclusions of law, the proceedings initiated vide the Show Cause Notice dated 26 February, 2024 by SEBI against the said Applicants, for the alleged violation of various provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Act, 1992. With the passing of the settlement order, the proceedings that were initiated have been disposed off. Further, the settlement order stated that future proceedings in relation to the violations alleged in the said show cause notice might not be initiated by SEBI against the Applicants. The settlement order is available at this link on SEBI's Website :
   https://www.sebi.gov.in/enforcement/orders/feb-2025/settlement-order-in-the-matter-of-electrosteel-castings-limited_92045.html .

4. An adjudication order dated 31 March, 2016 had been passed by the Securities and Exchange Board of India ('SEBI') imposing a penalty of Rs. 50 Lakh under Section 23A(a) and Rs. 50 Lakh under Section 23E of the Securities Contract (Regulation) Act, 1956 on the Company for violation of Clause 36 of the erstwhile Listing Agreement, read with Section 21 of Securities Contract (Regulation) Act, 1956. The Company had filed an appeal before the Securities Appellate Tribunal ('SAT') against the said order. However, SAT, Mumbai, vide its order, has, inter alia, dismissed the said appeal filed by the Company and had directed the Company to deposit the penalty of Rs. 1 Crore with SEBI within 30 days thereof. Thereafter, the Company had filed a second appeal before the Hon'ble Supreme Court of India. However, in the meantime, as a bona fide gesture, the Company had deposited the aforesaid penal amount of Rs. 1 crore, on 13 January, 2020 under protest and without prejudice to its rights under applicable laws. The appeal was dismissed by the Supreme Court on 29 April, 2025.

Except the above, no penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

C. Vigil Mechanism

The Company has a Whistle Blower Policy towards Vigil Mechanism and the same is hosted on the website of the Company at web-link –
https://www.electrosteel.com/admin/pdf/1613636847Vigil-Mechanism-Whistle-Blower-Policy.pdf .

No personnel were denied access to the Audit Committee.

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

The Company has complied with all mandatory requirements as stipulated in the Listing Regulations.

Corporate Governance ..... *(Contd.)*

The Company had adopted the following discretionary requirements as stated in Part E of Schedule II to the Listing Regulations:

i) The Chairman does not maintain any office at the expense of the Company.

ii) The Company has Dr. Mohua Banerjee and Mrs. Sangeeta Singh as woman independent directors on its Board.

iii) **Modified opinion(s) in audit report**

The Company endeavors to move towards a regime of financial statements with unmodified audit opinion. However, the modified opinion in the Independent Audit Reports on Consolidated and Standalone Financial Statements for the year under review forms an integral part of this Annual Report.

iv) **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

The position of the Chairman, Managing Director and Chief Executive Officer are separate. Mr. Jinendra Kumar Jain, Independent Director, is the non-regular Chairman, Mr. Umang Kejriwal is the Managing Director and Mr. Sunil Katial is the Chief Executive Officer of the Company. Mr. Kumar, Mr. Kejriwal and Mr. Katial are not related to each other.

v) **Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.

vi) **Shareholder's Rights:**

The Company publishes quarterly financial results in the newspapers and also displays it on the Company's website. Accordingly, it does not envisage sending the same separately to the shareholders.

vii) **Independent Directors**

The Independent Directors of the Company have held one separate meeting during the financial year 2025-26 on 6 February, 2026.

viii) **Risk Management:**

In terms of Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has a Risk Management Committee.

E. Web link where policy for determining material subsidiaries is disclosed

The Company has formulated a policy on determining material subsidiaries of the Company, which has been uploaded on its website at the web-link:
https://www.electrosteel.com/admin/pdf/1608019994Policy-for-determining-Material-Subsidiaries.pdf .

F. Web link where policy on dealing with related party transactions is disclosed

The Board has approved a policy for Related Party Transactions which has been hosted on the website of the Company. The web-link for the same is:
https://www.electrosteel.com/admin/pdf/1608020034Related-Party-Transaction-Policy.pdf .

G. Disclosure of commodity price risks and commodity hedging activitiess

The same has been already disclosed in this Report, at point no. 13(l) above.

H. Details of utilization of funds raised through preferential allotment or qualified institutional placement

The Company has not raised any money through issue of Securities by means of Public issue, Rights Issue, Qualified Institutional Placement etc. during the financial year ended 31 March, 2026.

I. Certificate from the Practicing Company Secretary

The Company has received a certificate from M/s. MKB & Associates, Company Secretaries, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

J. Recommendations of Committees of the Board

There were no instances during the Financial Year 2025-26, wherein the Board had not accepted recommendations made by any Committee of the Board which was mandatorily required.

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

The total fees paid by the Company for all services to the Statutory Auditor for the Financial Year 2025-26 was Rs. 81.37 Lakhs. No fee was paid by the Company for the Financial Year 2025-26 to the network firm/entity of which the Statutory Auditor was a part.

Hence, the total fees for all services paid by Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, stood at Rs. 81.37 Lakhs, for the Financial Year 2025-26.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a) number of complaints filed during the Financial Year 2025-26 - NIL

b) number of complaints disposed of during the Financial Year 2025-26 – NIL

c) number of complaints pending beyond 90 days during the Financial Year 2025-26 – NIL

d) number of complaints pending as on end of the Financial Year 2025-26 – NIL

M. Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount'

No loans and advances in the nature of loans has been made by the Company and its subsidiaries to firms / companies in which directors are interested.

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

Name and address: Electrosteel Europe S.A.
ZI Nord, 9 Rue Galilee, F13200,
Arles France

Date and place of incorporation: 24 December 2001, Lyon (France)

The name and date of appointment of the statutory auditors of such subsidiaries:
Name of Statutory Auditors: Klynveld Peat Marwick Goerdeler(KPMG)
Date of appointment:1 April, 2025

15. The Company has complied with all the requirements as stated in Para C(2) to Para C(10) of Schedule V to the Listing Regulations.

16. The extent to which the discretionary requirements as specified in Part E of Schedule II to the Listing Regulations have been adopted has already been disclosed in this Report, at point no. 13(D) above.

Corporate Governance ..... *(Contd.)*

17. The Company is in compliance with the applicable Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

18. The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961.

19. Code of Conduct

A Code of Conduct has been laid down for all Board Members and Senior Management of the Company, which suitably incorporates the duties of Independent Directors as laid down in the Act. The Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company. A declaration signed by the Chief Executive Officer to this effect is annexed hereto. The Code of Conduct is available on the Company's website, viz., www.electrosteel.com.

20. Disclosure with respect to demat suspense account/unclaimed suspense account

The details of the number of Shareholders and outstanding unclaimed shares lying in the unclaimed suspense account for the period 1 April, 2025 to 31 March, 2026 is as provided below:

Particulars	No. of Shareholders	No. of equity shares (Rs.1 each)
Aggregate number of shareholders and the Outstanding unclaimed shares in the suspense account lying at the beginning of the year	73	14865
Shareholders who approached listed entity for transfer of shares from suspense account during the year	–	–
Shareholders to whom shares were transferred from suspense account during the year	1	40
Shareholders whose shares were transferred from suspense account to IEPF	–	–
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	74	14905
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	74	14905

21. Disclosure of certain types of agreements binding listed entities

There are no agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity as specified in clause 5A to Para A of Part A of Schedule III of Listing Regulations.

For and on behalf of the Board of Directors

	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

Independent Auditors' Certificate

on compliance with the conditions of Corporate Governance

as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of

Electrosteel Castings Limited

Introduction

1. The Corporate Governance Report prepared by Electrosteel Castings Limited Limited (hereinafter the "Company") having its Registered Office at Rathod Colony, P.O. Rajgangpur- 770 017, District: Sundargarh, Odisha, contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2026 and the said Report will be submitted by the Company to the Stock Exchanges as part of the Annual Report.
2. We, Lodha & Co LLP, Chartered Accountants, the Statutory Auditors of Electrosteel Castings Limited have examined the compliance of Applicable Criteria of Corporate Governance by the Company for the year ended on March 31, 2026, as stipulated in the Listing Regulations.

Managements' Responsibility

3. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
4. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2026.
6. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.
7. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Corporate Governance ..... *(Contd.)*

9. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   a) Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   b) Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   c) Obtained and read the Register of Directors as on March 31, 2026 and verified that at least one independent woman director was on the Board of Directors throughout the year;
   d) Obtained and read the minutes of the following meetings held from April 01, 2025 to March 31, 2026:
      i. Board of Directors;
      ii. Audit Committee;
      iii. Annual General Meeting (AGM);
      iv. Nomination and Remuneration Committee;
      v. Stakeholders Relationship Committee; and
      vi. Risk Management Committee.
   e) Obtained necessary declarations from the directors of the Company;
   f) Obtained and read the policy adopted by the company for related party transactions;
   g) Obtained the schedule of related party transactions during the year and balances at the year-end;
   h) Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee; and
   i) Performed necessary inquiries with the management and also obtained necessary specific representations from management.
10. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Basis for Qualified Opinion

11. As stated in Report on Corporate Governance of the Company for the year ended March 31, 2026, due to the sudden resignation of one of the Independent Director, the composition of the Board of Directors with respect to executive and non-executive directors could not be met during the interim period.

Qualified Opinion

12. Based on the procedures performed by us, as referred to in paragraph 9 above, and according to the information and explanations given to us and the representations provided by the Management, we are aware of the opinion that the Company except for the matter stated in the basis for qualified opinion has complied with the conditions

of Corporate Governance as stipulated in regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations as applicable for the year ended March 31, 2026, referred to in paragraph 5 above.

Other Matters and Restriction on use

13. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

14. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this certificate.

For Lodha & Co LLP,
Chartered Accountants
Firm ICAI Registration No.: 301051E/ E300284

R. P. Singh
Partner
Membership No: 052438
UDIN: 26052438NRGGPF6392

Place: Kolkata
Date: May 18, 2026

Annexure – 4

Annual Report on Corporate Social Responsibility ("CSR") Activities for the Financial Year 2025-26

1.	**Brief outline on CSR Policy of the Company:**	Electrosteel Castings Limited ("ECL"/"the Company"), as a responsible corporate citizen, recognises that the growth of the nation lies in improving the quality of life of the rural populace and the long term future of the Company is best served by addressing the interests of the surrounding communities. The Company has formulated its CSR Policy in compliance with the provisions of the Companies Act, 2013. The Policy indicates the activities to be undertaken by the Company for fulfilling its CSR Obligations. For the purpose of aligning the nomenclature of the Corporate Social Responsibility Committee with the evolving focus on Environment, Social and Governance (ESG) factors and to ensure compliance with the Business Responsibility and Sustainability Report (BRSR), the name of the "Corporate Social Responsibility Committee" has been changed to "Corporate Social Responsibility and Sustainability Committee" ("CSRS Committee") with effect from 10 November, 2025.
2.	**Composition of CSR Committee:**	

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held in 2025-26 during their tenure	Number of meetings of CSR Committee attended during the year
(i)	Mr Jinendra Kumar Jain	Chairperson - Independent Director	3	3
(ii)	Mr. Vyas Mitre Ralli	Member - Independent Director	3	3
(iii)	Mr. Umang Kejriwal	Member - Managing Director	3	3

3.	**Provide the web-link where Composition of CSRS Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**	Composition of CSR Committee is disclosed at https://www.electrosteel.com/about/board-committees.php CSR Policy is disclosed at https://www.electrosteel.com/admin/pdf/16136369078CSR-policy.pdf CSR projects approved by the Board is disclosed at https://www. electrosteel.com/document/CSR-Projects-2025-26.pdf
4.	**Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**	Not Applicable

5.	**a)**	**Average net profit of the Company as per sub-section (5) of Section 135:**	Rs 75,217.91 lakhs
	b)	**Two percent of average net profit of the Company as per sub-section (5) of Section 135:**	Rs. 1504.36 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 (b+c-d)**	Rs 1504.36 lakhs

6.	**a)**	**Amount spent on CSR Projects (both Ongoing and other than Ongoing Project).**	Rs. 1528.00 lakhs
	b)	**Amount spent in Administrative Overheads**	NIL
	c)	**Amount spent on Impact Assessment, if applicable**	NIL
	d)	**Total amount spent for the Financial Year [(a) + (b) + (c)]**	Rs. 1528.00 lakhs
	e)	**CSR amount spent or unspent for the Financial Year:**	

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL				

f) **Excess amount for set off, if any:**

Sl. No.	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the Company as per Section 135(5)	1504.36 lakhs
ii.	Total amount spent for the Financial Year plus amount available for set off from previous financial years	1528.00 lakhs
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	23.64 lakhs
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	23.64 lakhs

7. **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
NIL							

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not applicable

Place : Kolkata
Date : 18 May, 2026

Sunil Katial
Chief Executive Officer and Whole-time Director
DIN: 07180348

Jinendra Kumar Jain
Chairman of CSR Committee
DIN: 00737352

Annexure – 5B

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2025-26 is as under:

Name of the Director	Ratio of remuneration of each Director to Median remuneration
Mr. Jinendra Kumar Jain, Independent Director	3.22
Mr. Amrendra Prasad Verma, Independent Director	2.77
Dr. Mohua Banerjee, Independent Director	2.90
Mr. Rajkumar Khanna, Independent Director	2.99
Mr. Vyas Mitre Ralli, Independent Director	2.86
Mr. Bal Kishan Choudhury, Independent Director	2.40
Mr. Virendra Sinha, Independent Director	2.31
Mrs. Sangeeta Singh, Independent Director	2.27
Mr. Bikramjit Ghosh, Independent Director[1]	1.93
Mr. Umang Kejriwal, Managing Director	68.66
Mr. Mayank Kejriwal, Joint Managing Director	70.39
Mr. Uddhav Kejriwal, Whole-time Director	46.46
Mrs. Priya Manjari Todi, Whole-time Director	43.00
Mrs. Radha Kejriwal Agarwal, Whole-time Director	11.27
Mrs. Nityangi Kejriwal Jaiswal, Whole-time Director	41.87
Mr. Madhav Kejriwal, Whole-time Director	41.87
Mr. Sunil Katial, Whole-time Director and Chief Executive Officer	72.65
Mr. Ashutosh Agarwal, Whole-time Director and Chief Financial Officer	46.90
Dr. Ajay Kumar, Chairman, Independent Director[2]	0.16

Notes:

1. Mr. Bikramjit Ghosh (DIN: 00164178) was appointed as an Independent Director of the Company with effect from 30 August, 2025.
2. Dr. Ajay Kumar (DIN: 01975789) has ceased to be an Independent Director and Chairman of the Company with effect from 15 May, 2025 consequent upon his resignation from the Board of Directors of the Company due to his taking charge of the constitutional responsibility of the Chairman, Union Public Service Commission in pursuance to the Order of the Hon'ble President of India.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial Year 2025-26 is as under:

Name	% increase in Remuneration during the Financial Year 2025-26
Mr. Jinendra Kumar Jain, Independent Director	(12.88)
Mr. Amrendra Prasad Verma, Independent Director	(22.29)
Dr. Mohua Banerjee, Independent Director	(14.09)
Mr. Rajkumar Khanna, Independent Director	(19.02)
Mr. Vyas Mitre Ralli, Independent Director	(17.11)
Mr. Bal Kishan Choudhury, Independent Director	(20.90)
Mr. Virendra Sinha, Independent Director	(22.73)
Mrs. Sangeeta Singh, Independent Director	(13.04)
Mr. Bikramjit Ghosh, Independent Director	N.A.*
Mr. Umang Kejriwal, Managing Director	(40.42)
Mr. Mayank Kejriwal, Joint Managing Director	(38.78)
Mr. Uddhav Kejriwal, Whole-time Director	(3.15)
Mrs. Priya Manjari Todi, Whole-time Director	2.10
Mrs Radha Kejriwal Agarwal, Whole-time Director	5.41
Mrs. Nityangi Kejriwal Jaiswal, Whole-time Director	5.47
Mr. Madhav Kejriwal, Whole-time Director	5.47
Mr. Sunil Katial, Whole-time Director and Chief Executive Officer	4.13
Mr. Ashutosh Agarwal, Whole-time Director and Chief Financial Officer	2.61
Dr. Ajay Kumar, Independent Director	(94.66)
Mr. Indranil Mitra, Company Secretary	(0.67)

*__Note:__ Mr. Bikramjit Ghosh (DIN: 00164178) was appointed as an Independent Director of the Company with effect from 30 August, 2025.

(iii) The percentage decrease in the median remuneration of employees in the Financial Year 2025-26: 0.68%.

(iv) The number of permanent employees on the rolls of Company: 2890 as on 31 March, 2026.

(v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was an average % decrease in salaries (median remuneration) of employees, other than managerial personnel in the last financial year i.e., 2025-26 of around 0.43% in comparison to a percentage decrease in managerial remuneration for the said financial year of around 15.75%. The remuneration of managerial personnel was as approved by the shareholders of the Company, from time to time, and/or was linked to profit, in accordance with the provisions of the Companies Act, 2013.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration paid was as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

Annexure – 6

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ELECTROSTEEL CASTINGS LIMITED

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

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the secretarial auditand considering the relaxations granted by Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026,generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026, to the extent applicable, according to the provisions of:

i) The Companies Act, 2013 (as amended) (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;

iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;

v) The Regulations and Guidelines prescribed under the Securities andExchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:

   a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015;

   b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

vi) We, in consultation with the Company, came to a conclusion that no specific laws were directly applicable with regard to business activities of the Company during the period under review except that of the following:

a) The Factories Act, 1948 and Rules;

b) The Explosives Act, 1884;

c) The Petroleum Act, 1934;

d) The West Bengal Fire Services Act, 1950.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that:

Pursuant to Regulation 17(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, the Board of Directors of the company did not comprise of fifty percent Non-Executive Directors for the period 15.05.2025 to 29.08.2025, pursuant to resignation of Dr. Ajay Kumar, Chairman and Independent Director of the Company. There has been delay of 14 days in appointment of non-executive director pursuant to vacancy in office of director caused due to resignation of Dr. Ajay Kumar. BSE Limited and National Stock Exchange of India Limited has imposed a penalty of Rs. 70,000/- (exclusive GST) each upon the Company and the same was paid by the Company.

We further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that the shareholders at the Annual General Meeting held on 27th August, 2025 have passed special resolution for re-appointment of Mr. Raj Kumar Khanna (DIN: 05180042) as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from 15th June, 2025.

We further report that during the audit period, the Company has passed Special Resolutions for the following:

a) Re-appointment of Mr. Rajkumar Khanna (DIN: 05180042)as an Independent Director of the Company for a term of 5 (Five) consecutive years with effect from 15th June, 2025;

b) Appointment of Mr. Bikramjit Ghosh (DIN: 00164178)as an Independent Director of the Company for a term of 5 (Five) consecutive years with effect from 30th August, 2025.

This report is to be read with our letter of even date which is annexed as **Annexure – I** which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
Peer Review Certificate No.: 6825/2025

Date: 18 May, 2026
Place: Kolkata
UDIN: A011470H000393940

Annexure – I

To,
The Members,
ELECTROSTEEL CASTINGS LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of the financial records and the Books of Accounts of the Company.

4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
Peer Review Certificate No.: 6825/2025

Date: 18 May, 2026
Place: Kolkata
UDIN: A011470H000393940

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Electrosteel Castings Limited
Rathod Colony Rajgangpur
Sundergarh, Orissa - 770 017
India

We have examined the relevant disclosures received from the Directors and registers, records, forms, returns maintained by Electrosteel Castings Limited (CIN: L27310OR1955PLC000310) having its Registered office at Rathod Colony Rajgangpur, Sundergarh, Orissa – 770017, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN)] status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we certify that following are the Directors on the Board of the Company as on 31st March, 2026:

Sl. No.	DIN	Name	Designation	Date of appointment
1.	05180042	Mr. Rajkumar Khanna	Independent Director	15/06/2020
2.	00236108	Mr. Amrendra Prasad Verma	Independent Director	22/12/2016
3.	00766032	Mr. Bal Kishan Choudhury	Independent Director	10/02/2022
4.	01863690	Mrs. Priya Manjari Todi	Executive Director	14/02/2022
5.	02758092	Mrs. Radha Kejriwal Agarwal	Executive Director	14/02/2022
6.	03113274	Mr. Virendra Sinha	Independent Director	14/02/2022
7.	00066077	Mr. Uddhav Kejriwal	Executive Director	16/06/2003
8.	00065173	Mr. Umang Kejriwal	Managing Director	15/02/1979
9.	00065980	Mr. Mayank Kejriwal	Joint Managing Director	15/02/1979
10.	02892446	Mr. Vyas Mitre Ralli	Independent Director	21/12/2009
11.	08350348	Mrs. Mohua Banerjee	Independent Director	08/02/2019
12.	07180348	Mr. Sunil Katial	Executive Director	01/04/2020
13.	00115092	Mr. Ashutosh Agarwal	Executive Director	03/01/2022
14.	07129444	Mrs. Nityangi Kejriwal Jaiswal	Executive Director	14/02/2022
15.	07293471	Mr. Madhav Kejriwal	Executive Director	14/02/2022
16.	00737352	Mr. Jinendra Jain	Independent Director	14/02/2023
17.	10593952	Ms. Sangeeta Singh	Independent Director	30/10/2024
18	00164178	Mr. Bikramjit Ghosh	Independent Director	30/08/2025

We further certify that none of the aforesaid Directors on the Board of the Company for the Financial Year ended on 31st March, 2026, 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.

Ensuring the eligibility of for 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 MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596
Peer Review Certificate No.: 6825/2025

Date: 18 May, 2026
Place: Kolkata
UDIN: A011470H000393896

Annexure – 7

Business Responsibility & Sustainability Report

for the year ended 31 March, 2026

SECTION A : GENERAL DISCLOSURES

I. Details of Listed Entity

1.	**Corporate Identity Number (CIN) of the Company**	L27310OR1955PLC000310
2.	**Name of the Company**	Electrosteel Castings Limited
3.	**Year of Incorporation**	1955
4.	**Registered Office Address**	Rathod Colony, Rajgangpur, Sundergarh, Odisha 770 017
5.	**Corporate Address**	G. K. Tower, 19, Camac Street, Kolkata – 700017
6.	**Email ID**	companysecretary@electrosteel.com
7.	**Telephone**	+91 33 2283 9990
8.	**Website**	www.electrosteel.com
9.	**Financial year of which reporting is being done**	1st April 2025 to 31st March 2026
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited, BSE Limited
11.	**Paid-up Capital**	Rs. 6,181.84 Lakhs
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**	Mr. Indranil Mitra Company Secretary 033-22839990 companysecretary@electrosteel.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures are reported on a standalone basis. The latest facility Punganur is excluded from the environmental and social KPIs for the current reporting period and will be included from next reporting period.
14.	**Name of assessment or assurance provider**	Not Applicable (As per the SEBI Applicability Criteria)
15.	**Type of assessment of assurance obtained**	Not Applicable (As per the SEBI Applicability Criteria)

Business Responsibility & Sustainability Report ..... *(Contd.)*

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of pipe and pipe fittings	The Company manufactures Ductile Iron Pipes, Ductile Iron Fittings, Cast Iron Pipes used for various applications, such as water transmission and distribution, desalination plants, storm water drainage and sewage treatment plants.	75.75%
2.	Manufacturing of Ferro Products & others	The Company manufactures Ferro Alloys, Pig Iron, Metallurgical Coke, and other value-added products.	24.25%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Ductile Iron Pipes	24311	64.38
2.	Ductile Iron Fittings	24311	5.63
3.	Cast Iron Pipes	24311	5.73
4.	Ferro Products	24104	4.92
5.	Cement	23942	0.01
6.	Others	243	19.33

III. Operations

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

Location	Number of plants	Number of offices	Total
National	6	12	18
International	2	29	31

19. **Markets served by the entity:**

a. Number of locations

Locations	Number
National (No. of states)	28
International (No. of countries)	130

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

Exports contribute to 22% of our total turnover.

c. A brief on types of customers –

Electrosteel Castings Limited (ECL) serves a diverse customer base encompassing companies in the infrastructure and industrial sectors. The Company supplies ductile iron pipes and fittings to major turnkey contractors like L&T, Megha Engineering and NCC. ECL also directly supplies to state government departments such as PHED/Water supply, as well as to the private contractors catering to semi-government agencies.

IV. Employees

20. **Details as at the end of Financial Year:**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1,464	1,423	97%	41	3%
2.	Other than Permanent (E)	178	172	97%	6	3%
3.	**Total Employees (D + E)**	**1,642**	**1,595**	**97%**	**47**	**3%**
	WORKERS					
4.	Permanent (F)	1,426	1,426	100%	0	0%
5.	Other than Permanent (G)	9,792	9,695	99%	97	1%
6.	**Total workers (F + G)**	**11,218**	**11,121**	**99%**	**97**	**1%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	2	2	100%	0	0%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**2**	**2**	**100%**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	**Total differently abled workers (F + G)**	**0**	**0**	**0%**	**0**	**0%**

Business Responsibility & Sustainability Report ..... *(Contd.)*

21. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	18	5	27.78%
Key Management Personnel	10*	3	30.00%

*Includes 9 Board of Directors

22. **Turnover rate for permanent employees and workers**

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9%	15%	9%	11%	9%	11%	6%	8%	6%
Permanent Workers	5%	–	5%	3%	–	3%	3%	–	3%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

S. No.	Name of the holding/subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Electrosteel Europe S.A.	Subsidiary	100%	No
2.	Electrosteel Castings (UK) Limited	Subsidiary	100%	No
3.	Electrosteel Algerie SPA	Subsidiary	100%	No
4.	Electrosteel USA, LLC and its wholly owned subsidiary, Water Fab LLC, USA	Subsidiary	100%	No
5.	Electrosteel Trading, S.A.U. Spain	Subsidiary	100%	No
6.	Electrosteel Doha for Trading LLC	Subsidiary	97%	No
7.	Electrosteel Castings Gulf FZE	Subsidiary	100%	No
8.	Electrosteel Bahrain Holding W.L.L. and its wholly owned subsidiary, Electrosteel Bahrain Trading W.L.L.	Subsidiary	100%	No
9.	Electrosteel Brazil Ltda Tubos e Conexoes Duteis	Subsidiary	100%	No
10.	Singardo International Pte Limited	Subsidiary	100%	No
11.	T.I.S. Service SPA and its wholly owned subsidiaries named T.I.S. Service Engineering DOO, T.I.S. Polska SP Z.O.O.,T.I.S. Turkey Water Technologies San. VE Tic.A., T.I.S. Nuoval S.R.L.	Subsidiary	100%	No
12.	North Dhadhu Mining Company Private Limited	Joint Venture	48.98%	No

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - **Yes**
    (ii) Turnover (Rs. in lakhs.) 5,03,254
    (iii) Net worth (Rs. in lakhs.) 5,68,342

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints Filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://www.electrosteel.com/investor/code_of_conduct_and_policies.php	0	0	Nil	0	0	Nil
Investors (other than shareholders)	https://www.electrosteel.com/shareholder-enquiry.php	0	0	Nil	0	0	Nil
Shareholders	https://www.electrosteel.com/shareholder-enquiry.php	16	0	–	28	0	–
Employees and workers	Grievance Handling Policy	201	27	–	199	10	–
Customers	https://www.electrosteel.com/business-enquiry.php	2	0	–	7	0	–
Value Chain Partners	Grievance Handling Policy	0	0	Nil	0	0	Nil

Business Responsibility & Sustainability Report ..... *(Contd.)*

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	**GHG Emissions and Climate Change**	Risk	**Risk** The ductile iron pipe & fittings production process involves energy-intensive processes primarily during the conversion of iron ore to iron or subsequent refining of the iron to finished ductile iron products. These operations are primarily powered by fossil fuels, leading to significant greenhouse gas (GHG) emissions. As a result, managing and reducing GHG emissions is a critical environmental priority for the organization.	ECL has an Environment Cell dedicated to monitoring and mitigating environmental impacts, with a strong focus on reducing greenhouse gas emissions in line with its ISO 14001:2018 certified Environmental Management System. The Company implements several initiatives to optimize manufacturing processes, and strengthen resource efficiency across its operations. The Company also continues to evaluate opportunities to reduce its carbon footprint through operational improvements and the adoption of cleaner technologies.	Negative
2	**Energy Management**	Risk & Opportunity	**Risk:** The manufacturing processes of our products, such as ductile iron and cast-iron pipes and fittings, require energy, which is sourced from captive power plants and the grid. Optimizing energy is key to ensuring efficient production, reducing costs, and improving financial stability. **Opportunity:** Implementing energy-efficient technologies and processes to reduce energy consumption per unit of output also results in improved overall efficiency.	The Company's Khardah and Haldia units are certified with the ISO 50001:2018 energy management system (EMS) which enhances energy performance, increases energy efficiency, and reduces energy costs, thereby contributing to sustainability goals and reducing environmental impact. ECL, across facilities, has implemented initiatives to reduce fuel and electricity usage, harnessing waste gases, and enhancing renewable energy capabilities.	Positive & Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	**Water Management**	Risk & Opportunity	**Risk:** The manufacturing process require water as a key input. Ineffective water management can lead to non-compliance, impacting the Company's operations and creating reputational risks as well as ecological impacts on the water level in the surrounding region. **Opportunity:** Implementing water-saving measures not only reduces costs but also enhances compliance and reputation. Strong water management practices can attract environmentally conscious stakeholders, offering a competitive edge.	The environment management cell actively engages in implementing measures to minimize water consumption and prevent water wastage. The Company has set up a state-of-the-art effluent treatment plant (ETP). Additionally, it conducts regular effluent water analysis to ensure compliance, and reports are submitted to the authorities. At one of the facilities, the Company collects sewage water from the municipality. This wastewater undergoes treatment through a sewage treatment plant (STP) and is utilized in the production process. This recycling initiative has resulted in significant conservation of freshwater resources.	Positive & Negative
4	**Waste Management**	Risk & Opportunity	**Risk:** The manufacturing process generates both hazardous and non-hazardous waste. Improper management of this waste can lead to negative environmental impacts, affect the workforce, and can harm nearby communities, potentially resulting in non-compliance with regulations. **Opportunity:** Implementing efficient waste management practices can lead to cost savings through reduced disposal costs and increased efficiency in resource utilization. Further, it ensures that the Company remains compliant with environmental regulations.	The Company's facilities are ISO 14001:2015 certified, and it has adopted a systematic waste management method to ensure that waste materials are properly handled, stored, and disposed of. Most of the process waste generated during operations can be reprocessed and utilized as raw materials to manufacture different products. Hazardous waste such as used oil/waste lubricating oil, zinc dust, and used batteries are stored and disposed of by authorized recyclers in accordance with CPCB/SPCB rules.	Positive & Negative

Business Responsibility & Sustainability Report ..... *(Contd.)*

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	**Health & Safety**	Risk & Opportunity	**Risk:** The manufacturing process is exposed to hazards, including occupational health risks such as exposure to high temperatures and machinery accidents. Failure to address these risks can result in injuries and adversely impact the Company's reputation. **Opportunity:** Prioritizing employee health and safety enhances morale, boosts productivity, and improves retention rates.	The Company's facilities are ISO 45001:2018 certified, and it is committed to creating and maintaining a culture of high safety. The Company regularly conducts health and safety assessments, mock drills, training awareness sessions, and health check-ups for its employees and workers. To ensure safety, the workers are provided with necessary PPE based on the risks they are exposed to in their operations. The Company promotes a QR code-based reporting system for timely reporting of unsafe conditions, incidents, and near misses, supporting proactive workplace safety management.	Positive & Negative
6	**Community Support and Corporate Social Responsibility**	Opportunity	The Company's vision extends beyond pioneering technology and innovation, embracing a holistic approach to societal impact. This provides an opportunity to actively engage in Corporate Social Responsibility (CSR) programs in the areas of education, and community development health and safety. This commitment underscores the Company's dedication to creating positive change and fostering a better future for all. This enables building a positive image for the Company and fosters harmonious relations.	NA	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	**Human Rights**	Opportunity	The Company fosters a fair, safe, and inclusive workplace. The Company complies with all applicable labour laws and has implemented a Social Accountability Policy across its facilities, with three units certified under SA8000. By promoting ethical practices and social responsibility, including regular trainings on human rights, POSH, and inclusion of differently abled individuals, the Company strengthens employee trust, enhances workplace culture, and builds long-term stakeholder confidence.	NA	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)									
Business Responsibility Policy	✓	✓	✓	✓	✓	✓	✓	✓	✓
Quality Policy		✓							✓
Environment Policy		✓				✓			
Occupational Health & Safety			✓		✓				
Social Accountability Policy			✓	✓	✓				
Energy Policy		✓				✓			
Policy for determining Material Subsidiaries	✓			✓					
Related Party Transaction Policy	✓								
Nomination and Remuneration Policy	✓								
Vigil Mechanism/Whistle Blower Policy	✓		✓	✓	✓				
Corporate Social Responsibility Policy				✓				✓	
Policy for determination of Materiality of Events/Information for disclosures	✓			✓					

Business Responsibility & Sustainability Report ..... *(Contd.)*

Familiarization Programme for the Independent Directors	✓								
Policy for Preservation of Documents and Archival	✓								
Dividend Distribution Policy	✓								
Electrosteel Anti-Competition Policy	✓						✓		
Electrosteel Sustainable Procurement Policy		✓				✓			
Electrosteel Antibribery Policy	✓						✓		
Risk Management Policy	✓	✓							
Compensatory Off Policy	✓								
Grievance Handling policy	✓		✓	✓	✓				✓
Non-Discrimination Policy			✓		✓				
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.electrosteel.com/investor/code_of_conduct_and_policies.ph								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2018 : Quality Management Systems (QMS) Certification ISO 14001:2018 : Environmental Management Systems (EMS) Certification ISO 50001:2018 : Energy Management Systems (EMS) Certification ISO 45001:2018 : Occupational Health and Safety Management Systems (OHSMS) Certification SA 8000 : Social Accountability Certification IS 9523:2000 : BIS Certification for Ductile Iron Fittings IS 8329:2000 : Spun ductile iron pipes								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company periodically reviews the goals and targets set for various business divisions and corporate functions, demonstrating its commitment to financing sustainable business activities.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	As a leading company, we ensure compliance with national laws and regulations by integrating performance evaluation as a fundamental aspect across all functions within the organization.								

Governance, leadership and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements At Electrosteel Castings Limited, we believe that true growth is meaningful only when it is responsible, inclusive, and sustainable. As we continue our journey of creating long-term value, we remain committed to integrating environmental stewardship, social responsibility, and strong governance practices into every aspect of our business. During FY 2025–26, we made significant progress in advancing our sustainability agenda. We utilized 1,274 Gigajoules of solar energy across the facilities, reinforcing our commitment to renewable energy adoption. We expanded our clean energy infrastructure through the installation of 868 kWp rooftop solar power across the plants and continued investments in solar energy projects across our operations. Our certifications under ISO 50001, ISO 14001, and ISO 45001 reflect our unwavering focus on energy efficiency, environmental management, and occupational health and safety. We are equally proud of our SA8000-certified facilities, which demonstrate our commitment to ethical labour practices, fairness, and respect for human rights across our operations. Today, Electrosteel products serve customers in more than 130 countries, supported by a resilient supply chain and responsible procurement practices. As India progresses towards the vision of Viksit Bharat, we see significant opportunities for sustainable growth driven by infrastructure development, urbanization, and increasing demand visibility across key sectors. We remain committed to supporting these national priorities while creating value for all our stakeholders. – Sunil Katial, Whole-time Director and Chief Executive Officer	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Sunil Katial Whole-time Director and Chief Executive Officer
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has its CSR & Sustainability Committee, comprising two Independent Directors (including the Chairman of the Committee) and the Managing Director. The Committee is responsible for overseeing and making decisions on sustainability and ESG-related matters. Additionally, the Company has the ESG Steering Committee, comprising representatives from key business functions and management teams. The Committee is responsible for driving, monitoring, and integrating ESG initiatives across the Company's operations and supporting the implementation of sustainability strategies and objectives.

Business Responsibility & Sustainability Report ..... *(Contd.)*

10.	**Details of Review of NGRBCs by the Company**																		
	Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	The Whole-time Director and Chief Executive Officer discusses with the Board and reviews the Company's progress against sustainability parameters, as well as reviews its policies.									Half-yearly								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The statutory compliance is reviewed periodically as per applicable laws by the Whole-time Director and Chief Executive Officer of the Company. There have been no significant reports of non-compliance.									Periodically (monthly)								

11.	**Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The Company conducts internal and external audits in accordance with applicable statutory and regulatory requirements. However, an independent audit specifically covering compliance with the NGRBC Principles has not been undertaken.									

12.	**If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**									
	Questions	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
	It is planned to be done in the next financial year (Yes/No)									
	Any other reason (please specify)									

SECTION C : PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	During the financial year, in addition to statutory updates, the Board of Directors was briefed on emerging regulations and key ESG developments.	100%

Key Managerial Personnel	2	During the financial year, the KMP were briefed on emerging regulations and key ESG developments.	100%
Employees other than BoD and KMPs	490	Health, safety & environment (HSE) Technical & process operations Maintenance Management systems & soft skills SA 8000	73%
Workers	933	Health, safety & environment (HSE) Quality & management systems Technical operations & standard procedures Social accountability Behavioural & soft skills	84%

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

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

Monetary					
	NGRBC Principle	**Name of the Regulatory Enforcement Agencies/ Judicial Institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an Appeal been preferred? (Yes/No)**
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principle	**Name of the Regulatory Enforcement Agencies/Judicial Institutions**	**Brief of the Case**	**Has an Appeal been preferred? (Yes/No)**
Imprisonment	NIL			
Punishment				

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

Case Details	**Name of the regulatory/ enforcement agencies/ judicial institutions**
NA	

4. **Does the entity have an anti-corruption or anti-bribery policy?**

   Yes, ECL has an anti-corruption and anti-bribery (ACAB) policy and has measures in place to prevent such misconduct. The policy explicitly mentions the prohibition of bribery or any form of undue advantage to gain business benefits,

Business Responsibility & Sustainability Report ..... *(Contd.)*

directly or indirectly. Strong processes exist for monitoring and taking disciplinary actions if there are any violations of this policy.

The policy is available at: https://www.electrosteel.com/admin/pdf/385692356-Electrosteel-Antibribery-Policy.pdf

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

	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

   Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2025-26	FY 2024-25
Number of days of accounts payables	39	31

9. **Open-ness of business**

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	29.85%	24.02%
	b. Number of trading houses where purchases are made from	1213	1253
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	43.61%	49.59%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0.46%	0.83%
	b. Number of dealers / distributors to whom sales are made	45	49
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	72.76%	88.88%

Parameter	Metrics	FY 2025-26	FY 2024-25
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.02%	0.17%
	b. Sales (Sales to related parties / Total Sales)	13.20%	15.59%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	98.51%	–
	d. Investments (Investments in related parties / Total Investments made)	28.00%	42.09%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	–	

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

   Yes, the Company has processes in place to avoid and manage the conflict-of-interest involving members of the Board. The processes are outlined in the Code of Conduct that prohibits engagement in any business or activity conflicting with the Company's interests. The Code ensures that directors and senior management members avoid activities or engagements that may interfere with their duties or prejudice the Company's interests, as well as activities that impede objective or independent work. Additionally, it prohibits the receipt of personal benefits by directors or senior management, including their families and activities that hinder their ability to devote appropriate time and attention to responsibilities. These measures aim to uphold integrity and prevent conflict of interests within the entity's governance structure.

   Please refer to the policy by following link:
   https://www.electrosteel.com/admin/pdf/1608017827code-of-conduct-49.pdf

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	–	–	–
Capex	15.81%	1.73%	The Company has invested in expansion of solar and treatment of effluent across the plants.

Business Responsibility & Sustainability Report ..... *(Contd.)*

2. a. **Does the entity have procedures in place for sustainable sourcing?**

The Company is dedicated to sourcing its raw materials responsibly, guided by its sustainable procurement policy. This policy prioritizes social, economic, and environmental considerations across the entire supply chain. As per the SA8000 system, the Company conducts periodic audits of its supplier's sustainability credentials. The Company expects its supply chain partners to adhere to the same ethical standards of sustainability in their business operations and encourages suppliers to follow the principles and practices outlined in the sustainable procurement policy. Approximately more than 60% of the Company's raw material requirements such as iron ore lumps, iron ore fines, iron ore pellets, limestone and manganese ore—are fulfilled through direct procurement from government-regulated mines. This approach enhances transparency, ensures traceability and promotes compliance with applicable environmental and labour regulations, thereby reinforcing responsible value chain practices in the iron and steel sector.

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

Approximately ~60% of the input raw materials are procured from mines. Further, the Company has assessed 24% of its supplier based on SA8000 guidelines.

Please refer to the policy by following link:
https://www.electrosteel.com/admin/pdf/18562356-Electrosteel-Sustainable-Procurement-Policy.pdf

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

Not applicable. The Company's products are durable in nature and predominantly comprise recyclable materials such as iron, which can be recovered and recycled at the end of the product's life cycle.

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

Yes, the EPR is applicable for the entity and the activities are in compliance with CPCB.

Leadership Indicators

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

Yes, we have conducted LCA-EPD assessments for three product categories, covering 16 types of our products.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
24311	Ductile Iron Pipes & Fittings (C25, C30, C40-pressure class)	70.02%	Cradle-to-gate (A1-A3) + EoL options (C1-C4, D)	Yes – Metsims Sustainability Consulting	https://www.environdec.com/library/epd20876 https://www.environdec.com/library/epd20877 https://www.environdec.com/library/epd20878

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

Sr. No.	Name of Product / Service	Description of the risk / concern	Action Taken
1	Ductile Iron Pipes & Fittings	There are no significant social or environmental risks arising from the production or disposal of the product. However, it is recognized that iron and steel manufacturing is inherently energy-intensive, with considerable reliance on fossil fuels and water resources.	The Company has adopted waste-heat recovery systems, increased the use of scrap material and shifted to renewable electricity to reduce its GHG footprint. These steps help lower energy consumption and emissions during production.

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Coke fines, iron ore fines, pipe & metal scrap, MBF sludge, etc	7%	8%

Note: For FY 2024-25 we have updated the calculation methodology.

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

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable. The Company's products are durable and predominantly comprise recyclable materials such as iron, which can be recovered and recycled at the end of the product's life cycle.					
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable. The Company's products are durable and predominantly comprise recyclable materials such as iron, which can be recovered and recycled at the end of the product's life cycle.	

Business Responsibility & Sustainability Report ..... *(Contd.)*

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

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

Category	% of Employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1,423	1,423	100%	1,423	100%	0	0%	0	0%	0	0%
Female	41	41	100%	41	100%	41	100%	0	0%	0	0%
Total	**1,464**	**1,464**	**100%**	**1,464**	**100%**	**41**	**3%**	**0**	**0%**	**0**	**0%**
Other than Permanent employees											
Male	172	172	100%	172	100%	0	0	0	0%	0	0%
Female	6	6	100%	6	100%	6	100%	0	0%	0	0%
Total	**178**	**178**	**100%**	**178**	**100%**	**6**	**3%**	**0**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers:

Category	% Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1,426	1,426	100%	1,426	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	**1,426**	**1,426**	**100%**	**1,426**	**100%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Other than Permanent workers											
Male	9,695	9,695	100%	9,695	100%	0	0%	0	0%	0	0%
Female	97	97	100%	97	100%	97	100%	0	0%	0	0%
Total	**9,792**	**9,792**	**100%**	**9,792**	**100%**	**97**	**1%**	**0**	**0%**	**0**	**0%**

c. Spending on measure towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.10%	0.07%

Note: The previous year's value was revised in line with the ISF guidance.

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**	**No. of employees covered as a % of total employees**	**No. of workers covered as a% of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	8%	13%	Yes	10%	11%	Yes
Others - please specify	–	–	–	–	–	–

Note: The data mentioned above includes only the permanent workforce.

3. **Accessibility of workplaces**

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

   While all the Company premises may not be fully compliant with the Rights of Persons with Disabilities Act, 2016, the Company actively responds to the needs of differently-abled employees by providing assistance whenever required.

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

   The Company has implemented a social accountability policy, and three of its facilities are SA8000 certified, demonstrating adherence to international standards of ethical workplace practices. This certification demonstrates compliance with critical performance criteria, which include ensuring the prohibition of child and forced labour, providing a safe and healthy work environment, respecting workers' rights to association and collective bargaining, and enforcing a non-discriminatory workplace. This commitment reflects the Company's dedication to maintaining not only legal standards but also a moral stance in promoting ethical and fair working conditions.

   Please refer to the policy by following link:
   https://www.electrosteel.com/admin/pdf/1608019883Social_Accountability_Policy.pdf

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	**Retention rate**	**Return to work rate**	**Retention rate**
Male	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Female	–	–	–	–
Total	**–**	**–**	**–**	**–**

Business Responsibility & Sustainability Report ..... *(Contd.)*

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

	Yes/No ***(If yes, then give details of the mechanism in brief)***
Permanent Workers	Yes, the Company has established a grievance mechanism to ensure that all concerns and issues raised by employees and workers are promptly addressed.
Other than Permanent Workers	Employees are encouraged to contact the local Head of Department (HOD) or Human Resources (HR) representative at their respective facilities to report any grievances they may have.
Permanent Employees	Accessible grievance mechanisms are established under the Grievance Handling Procedure, including a dedicated hotline, email address, and complaint boxes installed across all facilities.
Other than Permanent Employees	Further, the Company has implemented or QR code-based reporting mechanism that enables the workforce to anonymously raise concerns, grievances, or report incidents.

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

Category	**FY 2025-26**			**FY 2024-25**		
	Total employees / workers in respective category (A)	**No. of employees / workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or Union (D)**	**% (D/C)**
Total Permanent Employees	**1,464**	**0**	**0%**	**1,514**	**0**	**0%**
– Male	1,423	0	0%	1,471	0	0%
– Female	41	0	0%	43	0	0%
Total Permanent Workers	**1,426**	**1,372**	**96%**	**1,501**	**1,442**	**96%**
– Male	1,426	1,372	96%	1,501	1,442	96%
– Female	0	0	–	0	0	–

8. **Details of training given to employees and workers:**

Category	**FY 2025-26**					**FY 2024-25**				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**		**Total (D)**	**On Health and safety measures**		**On Skill upgradation**	
		No. (B)	**% (B / A)**	**No. (C)**	**% (C / A)**		**No. (E)**	**% (E / D)**	**No. (F)**	**% (F / D)**
Employees										
Male	1,423	583	41%	1,049	74%	1,471	442	30%	1,074	73%
Female	41	10	24%	26	63%	43	8	19%	23	53%
Total	**1,464**	**593**	**41%**	**1,075**	**73%**	**1,514**	**450**	**30%**	**1,097**	**72%**
Workers										
Male	1,426	1,060	74%	1,195	84%	1,501	784	52%	728	49%
Female	0	0	–	0	–	0	0	–	0	–
Total	**1,426**	**1,060**	**74%**	**1,195**	**84%**	**1,501**	**784**	**52%**	**728**	**49%**

Note: The data mentioned above includes only the permanent workforce.

9. **Details of performance and career development reviews of employees and workers:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1,423	553	39%	1,471	610	41%
Female	41	10	24%	43	10	24%
Total	**1,464**	**563**	**38%**	**1,514**	**620**	**41%**
Workers						
Male	1,426	1,358	95%	1,501	830	55%
Female	0	0	–	0	0	–
Total	**1,426**	**1,358**	**95%**	**1,501**	**830**	**55%**

Note: The data mentioned above includes only the permanent workforce.

10. **Health and safety management system:**

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

Yes, the Company's occupational health and safety management system is aligned with ISO 45001:2018 standards. Several initiatives have been implemented to achieve the Company's objective of zero-harm working environment and zero health impairments to all employees and workers. The Occupational Health and Safety (OHS) system covers all operational facilities, supporting functions (e.g., maintenance, logistics, laboratories), and administrative offices. It applies to full-time and part-time employees, contract workers, on-site service providers, and visitors. Risk assessment and hazard control, supported by regular assurance initiatives and prompt corrective measures, are key elements of the system.

The Company conducts regular training and awareness programmes on health and safety. Pre-employment and periodical medical check-ups are also conducted for its employees and workers. Third-party safety audits are conducted at all the facilities.

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

The Company employs various processes to identify work-related hazards and assess risks on both routine and non-routine basis. All safety committees actively engage staff and worker representatives to identify workplace hazards and develop corrective actions within specified time frames. For each process, a trained team assesses and determines the risk.

The Company has implemented the Japan Institute of Plant Management (JIPM) Total Productive Maintenance TPM methodology, specifically using the KYT (Danger Prediction Drill) as a continuous improvement tool to enhance the safety consciousness among workmen and supervisors. Mitigation includes proactive measures, such as safe operating procedures, Kaizen, Pokayoke and Safety Assurance Perfect Line (SAPL.The Company promotes a "Safety First" culture by encouraging the reporting of unsafe conditions, incidents, and near misses through accessible mechanisms, including QR code-based reporting systems. Departmental and contractor safety risk registers are regularly maintained and reviewed to identify, assess and mitigate work-related hazards, fostering a proactive approach to workplace health and safety. Employees and workers receive training to recognize and report hazards, relaying any issues to their immediate supervisor. Policies are in place to safeguard against retaliation for reporting hazards. Senior officials conduct plant inspections to detect deviations from standard safety practices and to address them promptly. These inspections also serve as opportunities to

Business Responsibility & Sustainability Report ..... *(Contd.)*

explore and implement advanced technologies recommended for eliminating safety risks in the workplace. No retaliatory actions are taken against workers who report incidents or take steps to protect themselves and their colleagues. Additionally, the company adheres to the standards set by SA 8000:2014.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has established procedures that enable workers to promptly report work-related hazards. Workers are encouraged to use various channels for reporting and once reported, these hazards are promptly investigated. They have the right to remove themselves from unsafe situations without fear of reprisal. Regular training reinforces these procedures, fostering a proactive safety culture.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes, the Company provides non-occupational medical and healthcare services for its employees and workers.

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.34	0
	Workers	0.46	0.54
Total recordable work-related injuries	Employees	1	0
	Workers	13	15
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. **Describe the measures taken by the entity to ensure a safe and healthy work place.**

ECL has established clear policies outlining safety protocols and procedures for all employees to follow. Employees undergo regular training sessions and awareness programs to educate themselves about potential hazards and safe work practices. The organization has implemented occupational health and safety ISO 45001:2018 to ensure that there is safe working environment. Regular safety assessments are conducted to identify workplace hazards and assess associated risks, allowing for timely mitigation measures.

Supervisors conduct short, focused discussions at the start of each shift. Topics include upcoming tasks, relevant safety precautions and reminders about personal protective equipment (PPE) and safe work practices. Toolbox talks are also held daily. Workers are provided with information on hazards through material safety data sheets, operating procedures, hazard identification and risk assessment. Staff, workmen and contractors are involved as team members in hazard identification, risk assessment, and control measures determination. Staff, workers and contractors receive regular updates and information on any changes. Health monitoring programs and access to medical facilities are offered to ensure early detection and treatment of health issues among employees. Routine inspections and audits are conducted to monitor compliance with safety regulations and identify areas for improvement. Employees are encouraged to actively participate in safety committees, provide feedback and report safety concerns to management. These measures collectively contribute to fostering a safe and healthy work environment for all employees.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Working Conditions	162	18	–	172	8	–
Health & Safety	39	9	–	27	2	–

14. **Assessments for the year:**

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

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

    The management regularly conducts reviews and updates of the safety and health protocol, ensuring its alignment with the most current industry standards and regulations as an ongoing practice.

Leadership Indicators

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

   Yes, all employees and workers are covered under group accidental insurance policies.

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

   The Company ensures transparent business practices across the value chain. Furthermore, the statutory compliance checklist for all departments is periodically reviewed by the concerned departments, and timely remittance is ensured.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

   ECL provides a transition assistance program upon request from the employee and based on the merit of the case.

Business Responsibility & Sustainability Report ..... *(Contd.)*

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	24%
Working Conditions	24%

Note: The Company conducts assessments of its suppliers based on SA8000 parameters. The selection of suppliers for assessment is guided by the value of business done and the frequency of engagement, ensuring alignment with responsible sourcing practices.

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

   No major concerns were found through the assessment of the value of chain partners.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

   The Company has undertaken a structured stakeholder identification and assessment process to identify and prioritize its key stakeholder groups, including employees, workers, customers, investors, suppliers, local communities, regulatory authorities, and the Board of Directors. Through stakeholder mapping and engagement, the Company identifies key concerns and expectations, enabling it to respond effectively and strengthen stakeholder relationships.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Letters • E-mails • Website of the Company & Stock exchanges • Newspaper advertisement • Meetings	Ongoing basis – as and when required	To inform customers about new products, services, promotions and updates. To gather feedback on customer satisfaction, needs and preferences. To build relationships and loyalty with customers.
Shareholders and Investors	No	• Press releases • Website of the Company • Email advisories • In-person meetings • Investor conferences • Conference calls	**Annual:** Annual General Meeting, Annual report **Half Yearly:** Financial statements in IndAS and IFRS, earnings call, exchange notifications, press releases **Quarterly:** Financial statements in IndAS and IFRS, earnings call, exchange notifications, press releases **Continuous:** Investors page on the Company's website	To educate the investor community about the Company's integrated value creation model and long-term business strategy. To assist investors in addressing their concerns regarding company policies, reporting, strategy.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	• Letters • Emails • Website of the Company • Newsletters on the intranet • Notice boards • Meetings • QR code	Regular and continuous Engagement	To promote open communication, gather feedback, address concerns, provide opportunities for employees to share their thoughts, ideas and concerns about their work environment, policies and procedures.
Supplier	No	• Emails • Phone calls • Meetings • Website of the Company • Onsite audits	Regular and continuous Engagement	To engage with suppliers to communicate procurement requirements, specifications, and expectations and to ensure smooth and efficient supply chain operations. To encourage suppliers to adhere to the sustainable principles upheld by ECL.
Communities	Yes	• Community Meeting • CSR programs • CSR reviews and • Feedback discussions	Regular and continuous engagement	To engage with local communities to build positive relationships, foster trust and demonstrate corporate citizenship and social responsibility. To use engagement channels to listen to and address community concerns, such as environ-mental impact, community development or social issues.
Statutory & Regulatory Authorities	No	• Email • In-person representations • Letters • Meetings and conferences • Online portals	Regular and continuous Engagement	To ensure compliance with laws, regulations, and standards relevant to the industry and operations of the organisation.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has established structured mechanisms for stakeholder consultation on economic, environmental, and social (EES) topics through its governance committees.

   The Risk Management Committee has developed a risk management policy encompassing the identification of both internal and external risks, with a specific focus on Environmental, Social and Governance (ESG) risks. Relevant stakeholders are consulted to ensure that risk identification and mitigation strategies are well-informed and aligned with stakeholder expectations. Additionally, the committee ensures the implementation of appropriate methodologies, processes and systems to monitor and evaluate ESG risks associated with business operations, ensuring alignment with sustainability objectives and regulatory requirements.

   In parallel, the Stakeholders' Relationship Committee, constituted in accordance with Section 178 of the Companies Act, 2013, serves as a formal channel for addressing stakeholder grievances and feedback. This committee actively engages with stakeholders and ensures their concerns are acknowledged and addressed in a timely and transparent manner. Insights and feedback gathered through this mechanism are shared with the Board, facilitating informed decision-making on stakeholder-related matters.

The committee maintains communication with the Board of Directors, providing regular updates on the nature and content of discussions, recommendations, and actions related to environmental and social topics. Keeping the Board informed about risk management strategies and initiatives ensures the Company's commitment to sustainability.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company is committed to fostering constructive relationships with all its stakeholders, encompassing a wide range of environmental and social issues that reflect its dedication to addressing diverse concerns. Through proactive engagement and valuable insights, the Company has identified its material issues. This plays a pivotal role in shaping the Company's business strategy and operations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company has engaged with vulnerable and marginalized stakeholders to understand and address their concerns through meaningful dialogue and collaboration, reflecting its commitment to social responsibility and community relations.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	1,464	375	26%	1,514	317	21%
Other than permanent	178	15	8%	240	13	5%
Total Employees	**1,642**	**390**	**24%**	**1,754**	**330**	**19%**
Workers						
Permanent	1,426	352	25%	1,501	223	15%
Other than permanent	9,792	2,376	24%	11,069	501	5%
Total Workers	**11,218**	**2,728**	**24%**	**12,570**	**724**	**6%**

2. **Details of Minimum wages paid to Employees and workers in the following format:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wages		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**1,464**	**0**	**0%**	**1,464**	**100%**	**1,514**	**0**	**0%**	**1,514**	**100%**
Male	1,423	0	0%	1,423	100%	1,471	0	0%	1,471	100%
Female	41	0	0%	41	100%	43	0	0%	43	100%
Other than Permanent	**178**	**0**	**0%**	**178**	**100%**	**240**	**0**	**0%**	**240**	**100%**
Male	172	0	0%	172	100%	237	0	0%	237	100%
Female	6	0	0%	6	100%	3	0	0%	3	100%
Workers										
Permanent	**1,426**	**0**	**0%**	**1,426**	**100%**	**1,501**	**0**	**0%**	**1,501**	**100%**
Male	1,426	0	0%	1,426	100%	1,501	0	0%	1,501	100%
Female	0	0	0%	–	–	0	0	–	0	–
Other than Permanent	**9,792**	**377**	**4%**	**9,415**	**96%**	**11,069**	**329**	**3%**	**10,740**	**97%**
Male	9,695	377	4%	9,317	96%	10,976	329	3%	10,647	97%
Female	97	0	0%	97	100%	93	0	0%	93	100%

3. **Details of remuneration/salary/wages.**

a) **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	14	13,70,000	5	49,66,755
Key Managerial Personnel*	1	43,98,450	–	–
Employees other than BoD and KMP	1,515	6,52,128	44	5,67,509
Workers	1,435	3,90,564	–	–

*Excluding all the Board of Directors

b) **Gross wages paid to females as % of total wages paid by the entity, in the following formats:**

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages.	2.3%	1.9%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Yes, the Company's human resource team serves as the focal point for addressing all impacts related to human rights. Employees and workers are encouraged to report any concerns they may have regarding human rights violations, discrimination, harassment or any other related incidents. The HR team then thoroughly investigates the incidents and provides appropriate corrective action.

Business Responsibility & Sustainability Report ..... *(Contd.)*

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   The Company is committed to upholding human rights and maintaining a safe, ethical, and inclusive workplace. It has established robust grievance redressal mechanisms, including whistleblower channels, complaint boxes, QR code and dedicated email IDs, enabling employees and workers to confidentially report concerns related to human rights, discrimination, harassment or workplace misconduct.

   Aligned with SA8000 standards, all reported grievances are investigated impartially and confidentially by the HR team, with appropriate corrective actions taken as necessary. To strengthen awareness and prevention, the Company regularly conducts training programs on Prevention of Sexual Harassment (POSH), workplace behaviour, communication skills, emergency response, first aid and human rights, fostering a culture of respect, accountability and continuous improvement.

   Link: https://www.electrosteel.com/admin/pdf/1826357-3Tier_Grievance_Eng_Beng_Hindi.pdf

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

<table>
<tr><th rowspan="2"></th><th colspan="3">FY 2025-26</th><th colspan="3">FY 2024-25</th></tr>
<tr><th>Filed during the year</th><th>Pending resolution at the End of year</th><th>Remarks</th><th>Filed during the year</th><th>Pending resolution at the end of year</th><th>Remarks</th></tr>
<tr><td>Sexual Harassment</td><td colspan="3" rowspan="6">NIL</td><td colspan="3" rowspan="6">NIL</td></tr>
<tr><td>Discrimination at workplace</td></tr>
<tr><td>Child Labour</td></tr>
<tr><td>Forced Labour /Involuntary Labour</td></tr>
<tr><td>Wages</td></tr>
<tr><td>Other human rights related issues</td></tr>
</table>

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. **Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.**

   The Company prioritizes the prevention of adverse consequences for complainants in cases of discrimination and harassment, ensuring a safe and inclusive workplace environment for all employees and workers. The Company has established policies such as the Business Responsibility and Sustainability Policy, which outlines the commitment to providing a safe working environment and protecting employees from sexual and mental harassment. The Policy on Prevention of Sexual Harassment (POSH) deals extensively with providing a safe working environment and protection from sexual harassment. SA 8000 prohibits discrimination in all its forms, emphasizing equal opportunities and fair treatment for all individuals within the workplace.

   Complaint boxes have been installed at all facilities, allowing grievances to be submitted anonymously. The Human Resources team serves as the focal point for addressing such complaints. It ensures complete confidentiality, impartial handling and protection of complainants from retaliation. The HR team is trained to deal sensitively and professionally with such matters, reinforcing the Company's zero-tolerance approach toward discrimination and harassment.

These mechanisms collectively ensure that employees can report concerns without fear, thereby fostering a culture of trust, safety, and respect.

9. **Do human rights requirements form part of your business agreements and contracts?**

   The Company is committed to upholding human rights and ethical labour practices across its operations and supply chain. Suppliers are required to adhere with SA8000 standards covering child labour, forced labour, health and safety, freedom of association, non-discrimination, working hours and fair remuneration. Human rights principles are also integrated into business agreements and contracts, reinforcing the Company's commitment to protecting the rights and well-being of employees, communities and other stakeholders impacted by its operations.

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	–

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

    The management implements corrective actions to address significant risks and concerns identified during assessments on priority basis.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   As there were no complaints, no business processes were modified or introduced.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   The Company demonstrates its commitment to human rights by conducting a biannual third-party Social Accountability (SA8000) audit.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Although the Company premises may not be fully compliant with the Rights of Persons with Disabilities Act 2016, the Company actively assists differently-abled visitors in accessing its premises.

Business Responsibility & Sustainability Report ..... *(Contd.)*

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	24% The Company conducts assessments of its suppliers based on SA8000 parameters. The selection of suppliers for assessment is guided by the value of business done and the frequency of engagement, ensuring alignment with responsible sourcing practices. The Company aims to enhance the coverage of such assessments across its value chain in the coming years.
Discrimination at workplace	
Child labour	
Forced Labour/Inventory Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   No major observations were identified during the assessment.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. **Details of total energy consumption (Giga Joules) and energy intensity, in the following format:**

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	1,274	178
Total fuel consumption (B)	–	–
Energy consumption through other sources (C)	–	–
Total energy consumption from renewable sources (A+B+C)	**1,274**	**178**
From non-renewable sources		
Total electricity consumption (D)	12,93,918	13,30,089
Total fuel consumption (E)	1,72,12,429	2,16,06,725
Energy consumption through other sources (F)	–	–
Total energy consumed from non-renewable sources (D+E+F)	**1,85,06,347**	**2,29,36,814**
Total energy consumed (A+B+C+D+E+F)	**1,85,07,621**	**2,29,36,992**
Energy intensity per Lakh of turnover (Total energy consumed / Revenue from operations)	36.78	34.00
Energy intensity per Lakh of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	748.02	702
Energy intensity in terms of physical output per MT	24.66	24.60
Energy intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency **No**

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Srikalahasthi Works and Khardah Works are designated consumers under the Perform, Achieve and Trade (PAT) Scheme (Cycle VIII) and have been assigned Specific Energy Consumption (SEC) reduction targets. The Measurement and Verification (M&V) audit for these facilities is currently due. Haldia Works, which was covered under PAT Cycle V, has successfully achieved its assigned SEC targets. These facilities are currently transitioning from the PAT Scheme to the Carbon Credit Trading Scheme (CCTS).

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	–	–
(ii) Groundwater	12,48,994	12,28,563
(iii) Third party water	6,00,202	6,16,530
(iv) Seawater / desalinated water	–	–
(v) Others (Sewage Water + Rain)	14,52,867	17,87,504
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**33,02,062**	**36,32,597**
Total volume of water consumption (in kilolitres)	**32,64,115**	**35,97,016**
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	6.49	5.33
Water intensity per Lakh of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	131.93	110.16
Water intensity in terms of physical output	4.35	3.86
Water intensity (optional) – the relevant metric may be selected by the entity	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	–	–
- With Treatment – please Specify level of treatment	–	–
(ii) To Groundwater		
- No treatment	–	–
- With treatment – please specify level of treatment.	–	–
(iii) To Seawater		
- No treatment	–	–
- With treatment – please specify level of treatment.	–	–

Business Responsibility & Sustainability Report ..... *(Contd.)*

(iv) Sent to third-parties		
- No treatment	–	–
- With treatment – please specify level of treatment.	–	–
(v) Others		
- No treatment	–	–
- With treatment – Please specify level of treatment.	38,244	35,581
Total water discharged (in kilolitres)	**38,244**	**35,581**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

   Yes, the Company has implemented Zero Liquid Discharge (ZLD) systems at its Srikalahasthi Works. Further, the at Khardah Works treated effluent is further processed through tertiary treatment facilities and reused within operations. Rainwater and process blow-down water are collected, treated and reused within operations, including the CPP, while excess water is utilized for dust suppression and gardening. The Company also ensures that process water at its other units is appropriately treated and safely discharged in compliance with applicable regulations.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Tonnes	380.45	353.73
SOx	Tonnes	362.12	438.66
Particulate matter (PM)	Tonnes	493.89	510.82
Persistent organic pollutants (POP)	NA	–	–
Volatile organic compounds (VOC)	NA	–	–
Hazardous air pollutants (HAP)	NA	–	–
Others– please specify	NA	–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? No

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	16,46,597	21,36,221
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,55,189	2,68,604
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT CO2e/ INR Lakh revenue	3.78	3.56
Total Scope 1 and Scope 2 emission intensity per Lakh of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MT CO2e/ Revenue adjusted for PPP Lakh	76.81	73.65

Total Scope 1 and Scope 2 emission intensity in terms of physical output	MTCO2e/ MT production output	2.53	2.58
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		–	–

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? – No

8. **Does the entity have any project related to reducing Green House Gas emission?**

   If yes, then provide details.

   Yes, the Company has undertaken the following measures, building on initiatives established in the previous year, to further reduce GHG emissions.

   - The Company promotes energy efficiency and renewable energy adoption through the use of energy efficient equipment and harnessing of renewable energy.
   - Solar street lighting across plant premises, and the installation of 868 kWp rooftop solar power plant across all plants.
   - The Company enhanced its renewable energy usage by utilizing 1274 GJ of solar power generated across all facilities during FY 2025–26.
   - Canteen waste-based biogas plants are being operated at Khardah and Srikalahasti works
   - The Company has conducted Life Cycle Assessments (LCA) for its product portfolio to identify environmental impact hotspots and enhance resource efficiency across the product value chain.
   - The Company promotes biodiversity through year-round plantation initiatives and has planted 7,500 saplings to strengthen the green belt around the Khardah Unit, enhancing green cover and supporting environmental protection.

9. **Provide details related to waste management by the entity in the following format:**

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	125	86
E-waste (B)	3.24	5
Bio-medical waste (C)	0.09	0.08
Construction and demolition waste (D)	100	270
Battery waste (E)	8	6
Radioactive waste (F)	–	–
Hazardous waste. Please specify, if any. (G)		
Hazardous waste (ETP sludge, discarded containers/barrels, flue dust, GCP sludge/ residue, waste oil, Zinc dust, contaminated oil, refractory waste, etc)	24,639	27,133
Other Non-hazardous waste generated (H). Please specify, if any.		
Non – hazardous waste (metal scrap, cement slurry, coke fines, iron ore fines, slag, charcoal, ash, burnt core sand, canteen and other solid waste etc)	5,33,143	5,79,426
Total (A+B + C + D + E + F + G + H)	**5,58,018**	**6,06,926**

Business Responsibility & Sustainability Report ..... *(Contd.)*

Parameter	FY 2025-26	FY 2024-25
Waste intensity per Lakh of turnover (Total waste generated / Revenue from operations)	1.11	0.90
Waste intensity per Lakh of turnover adjusted Purchasing for Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	22.55	18.59
Waste intensity in terms of physical output per MT	0.74	0.65
Waste intensity (optional) – the relevant metric may be selected by the entity	–	–

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Parameter	**FY 2025-26**	**FY 2024-25**
Category of waste		
(i) Recycled	2,12,108	1,72,494
(ii) Re-used	11,681	23,975
(iii) Other recovery operations	25,773	19,214
Total	**2,49,563**	**2,15,684**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	2	5
(ii) Land filling	10,495	11,985
(iii) Other disposal operations (Sent to Authorised vendors)	3,62,908	3,71,708
Total	**3,73,405**	**3,83,697**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) – No

*Certain categories of waste have been reclassified from "reused" to "recycled" based on the nature of the recovery process.

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

    The Company has aligned itself with the ISO 14001 environmental management system and has established standard operating procedures for handling hazardous and non-hazardous waste. All units have dedicated waste management systems in place. Each respective division collects and segregates the waste, storing it in designated locations. Hazardous waste, such as zinc dust, is sent to authorized recyclers with a complete manifest system. Bitumen waste is collected safely and reused in the process, avoiding disposal. Other hazardous wastes are accumulated and disposed of according to a 90-day schedule with SPCB/CPCB authorized vendors. Hazardous and non-hazardous waste is recorded in SAP software to ensure accuracy and tracking.

    In an effort to minimize the use of hazardous and toxic chemicals in products and processes, the Company adheres to Operation Control Procedures (OCP) and complies with legal directives. Further, plant inspections are conducted for hazardous waste and chemical handling compliance. These measures aim to reduce environmental impact and ensure responsible chemical management throughout the Company's operations.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

    Not Applicable, as none of the Company's facilities are located near ecologically sensitive areas.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

    The Company is in compliance with all applicable environmental laws/ regulations/ guidelines set by CPCB/SPCB.

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area

   (ii) Nature of operations

Business Responsibility & Sustainability Report ..... *(Contd.)*

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in Kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
No treatment		
With treatment – please specify level of treatment		
(ii) Into Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) Into Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No.

2. **Provide the details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
1.	Installation of VVVF Drive in Annealing Furnace Cooling Air Fan	Installed VVVF Drive in the Main Plant Annealing Furnace cooling air fan at Khardah Works.	Achieved approximately 50% reduction in electrical energy consumption.
2	Deployment of IE3 Energy-Efficient Motors	Installed IE3 class motors in all newly commissioned continuous-duty equipment.	Improved energy efficiency and reduced power consumption.
3	Installation of VVVF Drive in Sinter Plant ID Fan	Installed VVVF Drive in the ID fan of the Sinter Plant Proportioning Shop.	Achieved approximately 50% electrical energy savings.
4	Installation of Variable Speed Compressor	Replaced fixed-speed compressor with a variable speed compressor at the Pulverized Coal Injection Plant.	Reduced electrical energy consumption by approximately 25% at the process level.
5	Installation of Motion and Occupancy Sensors	Installed motion and occupancy sensors for lighting in the Administrative Building at Khardah Works.	Saved approximately 2,800 kWh of electricity annually.
6	Installation of VVVF Drive in Cooler Classifier Fan	Installed a 22 kW VVVF Drive for the Cooler Classifier fan at Haldia Fittings Plant.	Reduced electrical energy consumption by approximately 30% at the process level.
7	Replacement with IE3 Motor – Boiler FD Fan	Replaced existing 30 kW FD fan motor with an IE3 energy-efficient motor at CPP.	Enhanced motor efficiency and reduced energy consumption.
8	Installation of Static VAR Generator	Undertook a project to install a 50 kVAR Static VAR Generator for maintaining unity power factor.	Improved power factor and optimized electrical system performance.
9	Utilization of Solar Energy	Utilized solar energy generated through PV systems at Khardah, Bansberia and Haldia Works.	Consumed 3,46,162 kWh of renewable energy during FY 2025-26.

Business Responsibility & Sustainability Report ..... *(Contd.)*

10	Installation of Biogas Plant	Installed a canteen waste-based biogas plant with a capacity of 400 kg/day at Khardah Works.	Enabled conversion of organic waste into renewable energy.
11	Installation of Rooftop Solar PV Plants	Installed rooftop on-grid solar PV systems at Khardah Works with a total capacity of 93 kWp.	Increased renewable energy generation and reduced dependence on grid electricity.
12	Installation of Large-Scale Solar PV Plant	Installed a 700 kWp rooftop on-grid solar PV plant at Bansberia Works.	Enhanced renewable energy generation capacity.
13	Rooftop Solar Expansion Project	Initiated installation of a 161 kWp rooftop on-grid solar PV plant at Khardah Works Finishing Area.	Expected to further increase renewable energy generation capacity.
14	Installation of Solar Water Pumping Systems	Installed two solar-powered water pumping systems (5.5 kW and 3.7 kW) at plantation land near Khardah Works.	Reduced dependence on conventional electricity for water pumping.
15	Utilization of Biogas	Utilized 906 cubic metres of biogas generated from canteen waste at Khardah Unit.	Promoted circular resource use and reduced fossil fuel dependence.
16	Installation of Solar Street Lights	Installed ten 50W solar street lights at the plantation land of Khardah Unit.	Reduced conventional electricity consumption for outdoor lighting.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   The Company has an emergency mitigation plan in application. The department heads review the plan annually to spot potential new hazards and develop measures for mitigation and reaction. The Company has protocols, SOPs and mock drill exercises in place for managing disasters. Every mock drill is examined by an experienced council. The appropriate department implements the recommendation.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.** Nil

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts** – 24%

8. **How many Green Credits have been generated or procured:**

   a. By the listed entity: Nil

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations.**

   The Company is affiliated with four associations.

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Engineering Export Promotion Council	National
3	Indian Chamber of Commerce, Kolkata	National
4	The Bengal Chamber of Commerce and Industry	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. **Details of public policy positions advocated by the entity.**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NIL					

Business Responsibility & Sustainability Report ..... (Contd.)

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company has implemented effective grievance redressal systems to address the concerns raised by community members and other stakeholders. Concerned stakeholders can reach out to the Company's management by writing or meeting with administrative officers at the respective plants. Additionally, communities have the opportunity to share feedback on CSR programs, which the management reviews and responds to, on a prompt basis.

   The Company regularly engages in dialogue with local communities, regulatory authorities, and other stakeholders to ensure transparency and responsiveness to concerns. Accessible grievance mechanisms are established under the Grievance Handling Procedure, including a dedicated hotline and email address for submitting complaints, ensuring timely review and resolution of stakeholder concerns.

   Link: https://www.electrosteel.com/admin/pdf/1826357-3Tier_Grievance_Eng_Beng_Hindi.pdf

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	9.12%	6.48%
Directly from within India	50.18%	68.64%

5. **Job creation in smaller towns-Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost.**

Location	FY 2025-26	FY 2024-25
Rural	49%	43%
Semi-Urban	–	–
Urban	35%	42%
Metropolitan	16%	15%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** No

   (b) From which marginalized /vulnerable groups do you procure? Not Applicable

   (c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Medical and Health care for animals.	Number cannot be ascertained	–
2	Free education to students from economically backward sector.	Number cannot be ascertained	–
3	Developing the down trodden.	Number cannot be ascertained	–
4	Gauseva and allied projects directly related to Gauseva	Number cannot be ascertained	–

Business Responsibility & Sustainability Report ..... *(Contd.)*

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company has established a structured and responsive mechanism to receive and address consumer complaints and feedback under its documented Quality Management System (QMS).

   - **Complaint Receipt:** Consumer complaints are received through verbal or electronic communication by the relevant subsidiary, sales representative, or territory in-charge.
   - **Initial Assessment:** Based on the nature and severity of the complaint, it is either addressed directly or escalated to the technical team.
   - **Technical Review:** The technical team conducts a root cause analysis and proposes appropriate corrective and preventive actions.
   - **Closure:** The complaint is marked as closed only after receiving satisfactory feedback from the customer, ensuring effective resolution and continuous improvement.

   Accessible grievance mechanisms are established under the Grievance Handling Procedure, including a dedicated hotline and email address for submitting complaints, ensuring timely review and resolution of stakeholder concerns.

   Link: https://www.electrosteel.com/admin/pdf/1826357-3Tier_Grievance_Eng_Beng_Hindi.pdf

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	~75% of the Company's total turnover is attributable to products that have been assessed through Life Cycle Assessment (LCA) to evaluate their environmental impacts across the product life cycle.
Safe and responsible usage	100% The Company's product is devoid of any hazardous aspects and is considered completely safe to use as long as the recommended conditions of use are adhered to.
Recycling and/or safe disposal	Approximately 83% of the Company's product consists of ductile iron, which can be melted down and recycled for further use. The remaining 17% by weight comprises of lining and coating materials such as cement mortar and paint.

3. **Number of consumer-complaints in respect of the following:**

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	–	–	0	–	–
Advertising	0	–	–	0	–	–
Cyber-security	0	–	–	0	–	–
Delivery of essential services	0	–	–	0	–	–
Restrictive Trade Practices	0	–	–	0	–	–
Unfair Trade Practices	0	–	–	0	–	–
Other	2	0	–	7	0	–

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy?**

ECL has implemented a comprehensive array of cyber tools and measures to safeguard the cybersecurity and data privacy of its customers. This includes the deployment of a Next Generation Endpoint Detection & Response System (EDR) across all servers and workstations connected to the corporate LAN, providing robust protection against malware, viruses, ransomware and other cyber threats. Additionally, the Company has implemented safeguards to prevent unauthorised use of USB ports on end-user workstations. ECL employs web filtering and application control mechanisms to regulate internet usage and ensure the security of network resources. Authentication is enforced through Active Directory and Domain Authentication for all ECL users. Cloud email security measures are in place to mitigate risks associated with ransomware, phishing attacks and business email compromise. Secure remote access is facilitated with Multi-Factor Authentication (MFA). Implementation of Security Patch Updates Software for Servers & Workstations. Enforcement of IT Security Policies throughout the Organization. Cyber Security Awareness Program & Email Circulation (Dos & Don'ts) on Cyber Security for End Users. Implementation of 24X7 Managed Security Service (SOC) over SIEM. Implementation of Dark & Deep Web Monitoring & Analysis. Incident Response Planning. Periodic Phishing Attack Simulation Drill. Conducting Annual VAPT & ITGC Audit. These initiatives collectively demonstrate the Company's commitment to maintaining a robust cybersecurity posture and safeguarding the confidentiality, integrity and availability of customer data.

ECL's privacy policy can be found on the website –
Link: https://s3-ap-south-1.amazonaws.com/empwin-live-new/documents/1653562039.PDF

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.** Not Applicable

7. **Provide the following information relating to data breaches:**
   a. Number of instances of data breaches - Nil
   b. Percentage of data breaches involving personally identifiable information of customers - Not Applicable
   c. Impact, if any, of the data breaches - Not Applicable

Business Responsibility & Sustainability Report ..... *(Contd.)*

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   All information regarding the business of ECL can be accessed through the Company's website and through its periodic disclosures, including the Annual Report.

   Link: https://www.electrosteel.com/ .

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The organization believes that products should not harm customers during installation, use, and end-of-life disposal. Accurate and timely product information is provided to customers in the form of specifications and drawings. Customer health and safety requirements are considered during product design and the selection of raw materials.

   The organization ensures that products comply with national and international legal requirements, including the Bureau of Indian Standards for the ISI mark and also with British Kitemark and others. All the range of Electrosteel products complies with BS 6920 and are duly approved by Hygiene Institute, Germany, DWI and WRAS.

   Technical data sheets (TDS), standard operating procedures (SOPs), user guides, brochures, and safety-related videos are provided to customers for guidance on safe handling and installation. Additionally, the recent launch of the mobile application "Toolbox by Electrosteel" enhances accessibility to information for customers. The Company's website, https://www.electrosteel.com/, hosts comprehensive information on the safe and responsible usage of our products, ensuring easy access for customers seeking guidance. The Company provides training sessions for customers through seminars, video calls and other mediums, aiming to enhance their knowledge and skills regarding product usage and safety protocols.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   To inform consumers about potential disruptions or discontinuation of essential services, the Company communicates planned plant shutdowns to the sales team. Subsequently, the sales team adjusts delivery commitments accordingly, ensuring transparency and minimizing inconvenience to consumers. The Company uses communication channels like SMS, calls and/or a mobile application called Toolbox by ECL to notify the customers of any disruptions.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes, the Company displays product information on the accompanying documentation including its specifications, standards compliance and manufacturer details. The Company regularly considers customer feedback and incorporates relevant suggestions into its business processes to improve product quality and customer satisfaction.

   For more information on the product, customers can find product brochures on the Company's website:
   https://www.electrosteel.com/products/product_brochures.php .

Annexure – 8

PARTICULARS ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

[Information under Section 134(3)(m) of the Companies Act, 2013, read with
Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY

The steps taken or impact on conservation of energy:

i) A VVVF Drive has been installed in the Main Plant Annealing Furnace cooling air fan at Khardah Works, resulting in approximately 50% electrical energy savings in this application.

ii) All new continuous-duty equipment installed has been equipped with energy-efficient IE3 class motors.

iii) A VVVF Drive has been installed in the ID fan for KW Sinter Plant Proportioning Shop, resulting in approximately 50% electrical energy savings in this application.

iv) A Variable Speed Compressor has been installed at Khardah Works Mini Blast Furnace Pulverized Coal Injection Plant, replacing the existing fixed-speed compressor, resulting in approximately 25% electrical energy savings.

v) Installation of motion sensors and occupancy sensors for lighting in the Khardah Works Administrative Building, resulting in electrical energy savings of approximately 2,800 kWh/year.

vi) A 22 kW VVVF Drive has been installed for the Cooler Classifier fan in Haldia Fittings Plant, resulting in approximately 30% reduction in electrical energy consumption for this application.

vii) Replacement of FD fan motor (30 kW) with an IE3 energy-efficient motor at the Boiler, CPP.

viii) Replacement of cooling tower fan motor (37 kW) with an IE3 energy-efficient motor at CPP (for the condenser cooling water system).

ix) A project has been taken up for installation of a 50 kVAR Static VAR Generator at KW (48, B T Road premises) to maintain unity power factor.

The steps taken by the Company for utilising alternate sources of energy:

- During FY 2025–26, a total of 3,46,162 kWh of solar energy was utilized through PV cells at Khardah, Bansberia, and Haldia Works combined.
- Installation of Canteen Waste-based Biogas Plant: Capacity – 400 kg/day (Input waste) at Khardah Works.
- Installation of Rooftop on-grid solar PV plants at Khardah Works at the 33 kV Substation, Annexe-1 Club House, and Central Pump House, for a total capacity of 93 kWp
- Installation of Rooftop on-grid solar PV plants with a capacity of 700 kWp at Bansberia Works.
- A project for the installation of a 161 kWp Rooftop on-grid solar PV plant at Khardah Works Finishing Area is currently under progress.
- Two solar water pumping systems (5.5 kW and 3.7 kW capacity) have been installed at New Plantation Land near Khardah Works.
- During FY 2025-26, 906 cubic metre Biogas generated from canteen waste has been utilized at Khardah Unit.
- 10 nos 50W solar street lights have been installed at the Khardah Unit Plantation Land.

Conservation of Energy ..... *(Contd.)*

The capital investment on energy conservation equipments:

The Company has made a total capital investment amounting to Rs. 97 Lakhs during the financial year 2025-26 on energy conservation equipment.

B) TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption:

- Company has acquired TIS Service SpA, an Italian valve manufacturing company, which specializes in the production and sale of equipment for water networks and hydro-electric power plants. This move aligns with the company's long-term vision to evolve from a leading pipe & fitting manufacturer to a comprehensive water infrastructure solution provider, with global reach and local relevance. Electrosteel will now be able to significantly enhance its ability to deliver integrated water infrastructure solutions by adding a robust valve portfolio to their existing pipeline systems, as TIS brings decades of expertise in flow control, offering end-to-end solutions for potable water and wastewater.
- The Company continues to uphold the rigorous quality standards associated with its revolutionary seal coat for the internal lining of Ductile Iron Pipes and Fittings, which has received approval from the Drinking Water Inspectorate (DWI), one of the world's most stringent and respected drinking water regulatory authorities. Very few paint manufacturers across globe are able to receive approval from this regulatory body and we are one of them.
- Company is in process of developing High Corrosion Resistant paints indigenously with the aim of replacing their imported alternatives from European Countries.
- To streamline with latest technological advancements, the Company has planned to make investments on implementing artificial intelligence & machine learning in production technology aiming overall process improvement. The organization is also planning to implement AI/ML in improving quality control to meet future needs.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- The Company has expanded its Restrained Jointing system to DN1200.
- The Company continues its strategic initiative of substituting imported paints with in-house developed formulations, thereby strengthening self-reliance and supply chain resilience.
- The Company has made crucial investments in development of critical machinery spares—an emphatic nod to the "Make in India" initiative.
- By ensuring consistent quality, regulatory compliance, and suitability for potable water applications, the Company has laid a strong foundation to align its operations with the objectives of Jal Jeevan Mission (JJM) 2.0, which focuses on the development of safe, sustainable and durable drinking water infrastructure across the country.
- With the objective of enhancing overall organizational performance, the Company actively encourages employees to propose cost-saving and process improvement initiatives. Following a structured evaluation, noteworthy initiatives—recognized for their impact on cost savings, quality enhancement, and innovation—are showcased and acknowledged on an open recognition platform. In addition, a similar platform titled "Bandhan" has been established to recognize and congratulate workers for their valuable contributions to improvement initiatives.

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

a) The details of technology imported – Nil

b) The year of import – Not Applicable

c) Whether the technology is fully absorbed – Not Applicable

d) If not fully absorbed, areas where absorption has not taken place and the reason thereof – Not Applicable

iv) The expenditure incurred on Research and Development:

The expenditure incurred by the Company towards Research and Development during the Financial Year 2025-26 amounted to Rs. 1.34 Crore.

C) FOREIGN EXCHANGE EARNINGS & OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflow is given below:

Foreign Exchange Earned:	Rs. 1120.26 Crore
Foreign Exchange Outgo:	Rs. 1139.97 Crore

For and on behalf of the Board of Directors

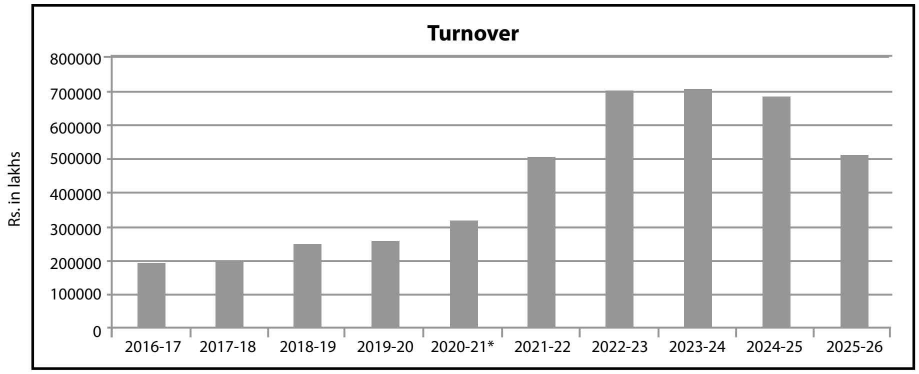
	Umang Kejriwal	Sunil Katial
Place: Kolkata	Managing Director	Whole-time Director and CEO
Date: 18 May, 2026	DIN : 00065173	DIN : 07180348

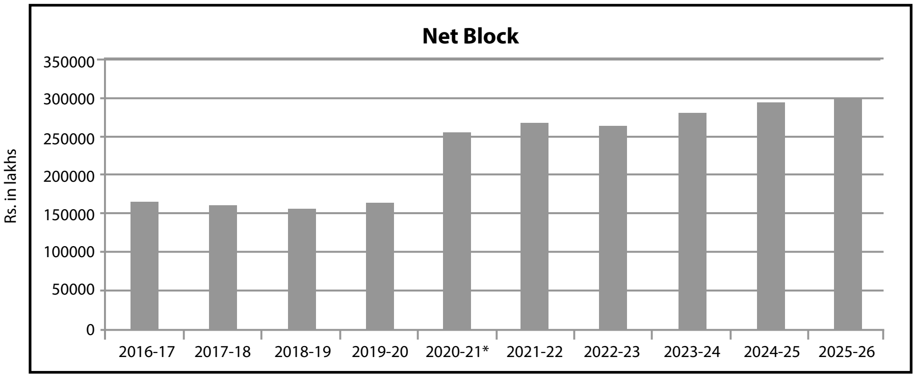
Ten Years Financial Summary

(Rs. in Lakhs)

Year	Revenue from Operation	Earnings before Depreciation, Finance cost and Tax Expense (EBDIT)	Interest	Depreciation	Tax	Profit after Tax	Gross Block	Net Block	Capital Employed
2016-17	183207.85	37323.04	20105.16	6368.85	3120.73	7728.30	176281.82	163991.26	508003.98
2017-18	194366.44	30512.54	20231.83	5921.85	-339.78	4698.64	177964.68	160261.49	470686.16
2018-19	239060.75	-37911.95	22540.22	5481.79	-2348.16	-63585.80	178392.85	155917.87	424563.46
2019-20	247988.93	39617.60	21989.75	5274.32	2494.75	9858.78	190609.79	163284.82	432325.18
2020-21*	307570.68	44918.24	19889.28	7866.60	4066.72	13095.64	311217.81	255720.12	591529.77
2021-22	501482.77	71644.47	18526.53	11257.67	9299.98	32560.29	330353.14	268777.96	708126.30
2022-23	691600.46	81904.11	27224.33	11401.63	9801.80	33476.35	336294.65	264463.21	706772.61
2023-24	693801.41	124587.66	20185.53	11432.34	19364.30	73605.49	361390.25	281861.32	734370.13
2024-25	674588.28	111600.52	14181.44	12747.28	13459.48	71212.32	385323.54	294656.16	770456.11
2025-26	503253.91	46109.59	12672.06	14939.95	5363.60	13133.98	398004.62	296921.80	717431.35

* In view of amalgamation of Srikalahasthi Pipes Ltd w.e.f October 01, 2020 the figures has regrouped/reclassified where ever necessary.





STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

The Members of Electrosteel Castings Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Electrosteel Castings Limited ("the Company"), which comprise the balance sheet as at March 31, 2026, and the statement of Profit and Loss(including other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion Paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and it's profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Attention is invited to the following notes of the accompanying financial statements:

a) Note 50 regarding cancellation of coal block allotted to the company in earlier year and adjustments to be given effect to in respect of the claims made by the company, amount determined, awarded/received so far in this respect and required disclosures/adjustments in terms of Ind AS with respect to the carrying amounts of the property, plant and equipment, capital work in progress, inventory and balances lying under other heads of account and carried forward pending finalisationof the amount of claim in this respect as stated in the said note; and

b) Note 9.1(a)in respect of company's investment in the equity shares of ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL and which was set aside by Hon'ble High court at Kolkata and the matter is currently pending before the said court. Further, as stated in Note 9.1(b) dealing with mortgage of Land at Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and symbolic possession of the said land was taken by the said party. The matter has been disputed by the company and the matter is currently pending before DRAT and Hon'ble Madras High Courtas stated in the said note is currently sub-judice and pending final adjudication.

c) Pending finalization of the matters dealt with in (a) and (b) above, required disclosures, adjustments and impacts thereof are presently not ascertainable and as such cannot be commented upon by us.

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 Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 year. 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.In addition to the matters described in the basis for qualified opinion section, we have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Key Audit Matters	Addressing the key audit matters
Claims by or against the company, litigations and disclosure of contingent liabilitiesand assets (as described in note 6.1, 25.1, 19.4, 29.1, 50 and 54 of the financial statements)	
There are substantial amount of claims made by the company including claims against Wagon Investment Scheme, Railway Siding, Parbatpur Coal Mines etc. which are pending as on this date as disclosed in Note 50 and 54(ii). The company is also exposed to number of significant claims and litigations involvingvarious matters pending before judicial authorities. This includes various matters related to Direct and Indirect taxes, compensation etc. as dealt with in note 6.1, 25.1, 29 and 54(i) pending before various judicial authorities as on this date. The assessment of the likelihood and quantum of any liability with respect to these matters are matter of judgmental due to the uncertainty involved therein.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of accounting for claims made by or against the company and disclosure there against includes the following: • Understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations under the relevant laws and regulations and the internal control environment relating to the identification, recognition and measurement of amount of claims made by or against the company and disclosure for the provisions, litigations, contingent liabilities and contingent assets in the financial statements; • Analysed significant changes/ updates from previous periods and obtained a detailed understanding of the nature, status and possible implication of the underlying litigations. Assessed recent judgements passed by the judicial authorities on the relevant matter;

Independent Auditors' Report *(Contd.)*

Key Audit Matters	Addressing the key audit matters
We considered these to be a key audit matter, since the accounting and disclosure of claims and litigations are complex, technical in nature andjudgmental and the impact thereof considering the amount involved are or can be material to the understanding of the financial statements.	• Discussed the status of the material litigations and potential implication of the matters as reported and placed before the Board of Directors; • Evaluating management's assessment by understanding precedents set in similar cases and analysed the reliability of management's past estimates/judgements. • Reviewed the opinions and views of the external legal experts and in-house legal team and other evidences to corroborate management's assessment of the risk profile in respect of claim pending ascertainment as on this date. These being technical in nature reliance has been placed on the legal interpretations and opinions provided on the matter;and • Assessment of the adequacy of management's assumptions and estimates related to the claims both by or against the company, underlying dispute and disclosures made in the financial statement. Also, the references have been made in the Auditors' Report wherever relevant and appropriate.
Verification of Inventory and Valuation thereof <u>(as described in note 14 and 3.8 of the financial statements)</u>	
The Inventory of the Company as on March 31, 2026 amounts to Rs. 16,00,50.34 lakhs which forms around 18.54% of the total assets of the Company This includes bulk materials such as coal, coke, iron ore etc., which are susceptible to handling loss, moisture loss/gain, spillage etc. and determination of the same requires estimation based on experience and technical expertise. Further, in case of DI Pipes and Fittings these are based on standard weight derived based on experience and technical expertise considering the sizes of finished product measured in terms of pieces. We determined this to be a matter of significance to our audit due to the quantum of amount and estimations involved.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of determination of year-end inventory and valuation thereof includes the following; • Evaluating the accounting policy followed for valuation of inventory and appropriateness thereof with respect to relevant Indian Accounting Standards in this respect; • The process followed for physical verification have been reviewed. This includes deployment of an Independent Agency for verification of Bulk Materials during which we were present to oversee the process of the verification; • We reviewed the report submitted by external agency and obtained reasons/explanation for variations observed by them with respect to book stock,considering the materiality for variationstaking into account the reasonable allowance for volumetric measurement;

Key Audit Matters	Addressing the key audit matters
	• Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory and consistency with respect to the policy followed in this respect; and • We evaluated the policy for valuation, processes/ methodologies involved and disclosures made in the financial statements in this respect and checks being performed at multiple levels and verified the valuation arrived for the different items and class of Inventory to ensure that the valuation is consistent as per the policy followed and disclosed in this respect.

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 Report of the Directors and the annexures thereto (namely Management Discussion and Analysis Report, Report on performance and financial position of the Subsidiaries and Joint Ventures, Report on Corporate Governance, Annual Report on Corporate Social Responsibility Activities, Business Responsibility and Sustainability Report and Particulars on conservation of energy, technology absorption, foreign exchange earnings and outgo) but does not include the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, 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.

Responsibilities of the Management and those charged with governance for the 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 financial statements that give a true and fair view of the state of affairs (financial position), Profit (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards

Independent Auditors' Report *(Contd.)*

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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 auditors' 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 the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and

Independent Auditors' Report *(Contd.)*

explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) The matter described in the Basis for Qualified Opinion Paragraph, in the event of being decided unfavorable, in our opinion, may have an adverse effect on the functioning of the company;

f) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and

h) With respect to the adequacy of the internal financial controls with reference to financial statements in place and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal control with reference to financial statements.

3. With respect to the other matters to be included in the Auditors' 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. Except for the matters dealt with in the Basis for Qualified Opinion paragraph impact whereof are presently not ascertainable, the Company has disclosed the impact of pending litigations (other than those already recognized in the financial statements) on its financial position as required in terms of the Ind AS and provisions of the Companies Act, 2013 – Refer Note 54(i) to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 48(d) to the financial statements;

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (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; and

(c) Based on the audit procedures and generally accepted auditing practices followed in terms of SAs that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

v. The dividend paid by the Companyas stated in note no. 22 of the financial statements, andproposed during the year are in accordance with section 123 of the Act; and

vi. Based on the verification carried out by an Independent Professional appointed for the purpose and our examination of the data and details provided to us, which includes test checks and samples obtained by us in this respect and being a technical matter placing reliance on the report submitted by the professional, we report that the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2026, which have a

Independent Auditors' Report *(Contd.)*

feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the said audit trail has been preserved by the Company as per the statutory requirements for record retention.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, In our opinion and according to the information and explanations given to us, the remuneration (including sitting fees and commission) paid by the Company to its Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No.: 301051E/E300284

R. P. Singh
Partner
Membership No: 052438
UDIN: 26052438UKQCYK4635

Place : Kolkata
Date : May 18, 2026

ANNEXURE "A" TO THE AUDITORS' REPORT TO THE MEMBERS OF ELECTROSTEEL CASTINGS LIMITED

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment's and Intangible Assets except in case of furniture and fixture.

b. The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to this program,verification of Property, plant and Equipment and Capital Work in Progress was carried outfor certain locations except for Property, Plant and Equipment located at Parbatpur Coal Block for the reasons stated in Note 50 by engaging the services of an Independent firm of professional as per the said programme. According to the information and explanations given to us, no material discrepancies to the extent verified during the years were noticed on such verification.

c. According to the information and explanations given to us, the records examined by us and based on the registered sale deed/ transfer deed / conveyance deed / court orders approving schemes of arrangements / amalgamations, confirmation from Security Trustees provided to us and other documents provided to us, we report that, the title deeds, comprising of all the immovableproperties of land and building (other than properties on lease where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as on the balance sheet date except certain land the titlewhereofas detailed below have not been held in the name of the company: (Refer Note 5.3 and 5.7 of the financial statements).

(Rs. In Lakhs)

Particulars	Property held since when	Held in the name of	Whether promoter, director or their relative or employee	Gross Block
Freehold Land	2008-2009 to 2014-2015	Pertaining to Parbatpur Coal Block vested to another successful bidder in terms of the Ordinance as dealt with in Note 50	No	3,35.81
Freehold Land	April 01, 2014	Mahadev Vyapaar Private Limited	No	18,89.04
Freehold Land	October 01, 2020	Srikalahasthi Pipes Limited	No	1,93,06.71

d. The company is not following revaluation model of accounting and has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible Assets during the year. Accordingly, the reporting under Clause 3 (i)(d) of the Order is not applicable to the Company.

e. As per the information and explanation given to us and as represented by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, further reporting under Clause 3 (i)(e) of the Order is not applicable to the Company.

ii) a. As informed, the inventories of the Company except for finished goods at Khardah and Bansberia Unit, materials in transit, stock lying with third partiesand inventories lying at parbatpur coal block for reasons stated in Note 50 have been physically verified by the independent firm of professionals along with the management at reasonable intervals during the year.In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable, and procedure followed for such verification is appropriate. As the Company's inventory of raw materials comprises mostly of bulk materials such as coal, coke, iron ore, etc. requiring technical expertise for quantification, the Company has hired an independent agency for the physical verification of the stock of these materials. The discrepancies noticed on physical verification between the physical stock and book stock of inventories to the extent verified during the year, were not 10% or more in aggregate for each class of inventory and the same have been properly dealt with in the books of account as per the policy followed in this respect.

b. According to the information and explanation given to us, the company has been sanctioned working capital limit in excess of Rupees Five Crores on the basis of securities of Current Assets of the company. On the basis of examination of returns/ statements submitted upto quarter ended December 31, 2025 by the Company to the banks in this respect, as provided to us for the purpose, thesewere in agreement with the unaudited books and records and the financial statements prepared therefrom by the management. However, as stated in note 30.3, the return for the quarter ended March 2026 has not been submitted to the banks and as such cannot be commented upon by us.

iii) According to the information and explanation given to us and based on the documents examined, the company has provided financial guarantees to it's subsidiaries against various working capital facilities availed from banks. Further, the Company has made investments in in market driven securities, mutual and other funds during the year. However, the company has not provided any advances in the nature of loans to Companies, firms, limited liability partnerships and any other parties during the year.

a. In our opinion and according to the information and explanation given to us, the company has not provided any guarantee or security or granted any loans or advances in the

ANNEXURE "A" TO THE AUDITORS' REPORT *(Contd.)*

nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year apart from the details given below:

(Rs. In Lakhs)

Particulars	Loans	Guarantees
Aggregate amount granted/ provided during the year (Equivalent INR as on date of transaction):		
Subsidiaries	40,92.20	64,94.46
Others	–	–
Balance outstanding as on balance sheet dates in respect of above cases (Equivalent INR as on March 31, 2026):		
Subsidiaries	43,48.90	68,27.76
Others	–	–

b. In our opinion and according to the information and explanation given to usand based on the audit procedures performed by us, loans granted by the company have been given to a subsidiary for general corporate purpose which are recovered as and when due.Further, the terms and conditions of the guarantees provided during the year are prima facie not prejudicial to the company's interest and Investments made by the company are either in subsidiaries or joint venture or otherwise in market driven securities, LLP's, mutual and other funds at prevailing prices or otherwise being market driven at applicable rates and terms and conditions. In view of the above and considering that the loans given or guarantees provided are to wholly owned subsidiaries which are strategic in nature having regard to the long term business relationship, the investments otherwise made being market driven at applicable rates and terms and conditions, loans given or guarantees provided as such are not prejudicial to the interest of the company. According to the information and explanations given to us and based on the audit procedures, the terms and conditions of loans provided by the Company during the year to parties other than mentioned above are, in our opinion, are not prejudicial to the Company's interest.

c. In respect of loan granted, schedule of payment of principal and interest has been stipulated therein and such amount has been received as and when fallen due for payment.

d. In respect of loans granted by the Company, there are no overdue amount outstanding in respect of such amount as at the balance sheet date.

e. The Company has not granted any loan or advances in the nature of loan to a Company which had fallen due during the year that have either been renewed or extended or fresh loans granted to settle overdue of existing loans given to the same parties. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

f. In our opinion and according to the information and explanation given to us, the company has not granted any loans which are either repayable on demand or without specifying any terms or period of repayment. Further, company has not granted any advances in the nature of loans. Accordingly, further reporting under Clause 3(iii)(f) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanation provided to us, the company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. Further, 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 deposits during the year and does not have any unclaimed deposits as at March 31, 2026 from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder and therefore, the provisions of clause 3(v) of the Order is not applicable to the company.

vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of the Company's products to which the said rules are made applicable and are of the opinion that prima facie, the prescribed records have been maintained. We have however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

vii) a. According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Goods and Service Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to it. Further, there were no material undisputed amounts payable in respect of these statutory dues outstanding as at March 31, 2026 for a period of more than six months from the date they become payable.

b. Details of statutory dues referred to in (a) above which have not been deposited as on March 31, 2026 on account of any dispute are given below:

ANNEXURE "A" TO THE AUDITORS' REPORT *(Contd.)*

Name of the Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Sales Tax Act	Sales Tax/ VAT	40,79.92	2007-2008, 2008-2009	West Bengal Appellate & Revisional Board
		3,00.95	2013-2015	Additional Commissioner, Commercial Taxes, West Bengal
		2.16	2004-2005	Joint Commissioner (Appeal), Odisha
		13.24	2009-2010	Hon'ble Jharkhand High Court
		1.62	2012-2013	Deputy Commissioner, Sales Tax, Bokaro Circle, Bokaro
		40.51	2000-2001	Sales Tax Appellate Tribunal, Hyderabad
		9,17.93	2000-2001, 2003-2006, 2011-2012, 2013-2015	Sales tax Appellate Tribunal, Vishakhapatnam
		1,51.60	2000-2001, 2010-2011	Hon'ble High Court of Andhra Pradesh
		3,25.60	2012-2013, 2014-2015	Assistant Commissioner, Chittor
Andhra Pradesh Tax on Entry of Goods into Local Area Act 2001	Entry Tax	1,38.54	2014-2015 to 2017-2018	Appellate Deputy Commissioner, Tirupathi
Goods and Service Tax Act 2017	GST	62.24	Transitional credit	Hon'ble Jharkhand High Court
	GST	18.44	2017-2018	The Assistant Commissioner- CGST & CX Khardah Division
	GST	25.32	2019-2021	Commissioner Appeals CGST, Guntur
Central Excise Act	Excise Duty	21,09.32	2005-2006	Customs, Excise and Service Tax Appellate Tribunal, Kolkata
	Excise Duty	1.02	2002-2003 to 2004-2005	Commissioner of Goods and Service Tax & Cx Khardah Division Kolkata North Commissionerate
	Excise Duty	28.86	2012-2014	Hon'ble High Court of Calcutta
	Excise Duty	58.31	2006-2008	Customs, Excise and Service Tax Appellate Tribunal, Hyderabad
	Service Tax	1,16.07	2006-2007	Hon'ble High Court of Calcutta
	Service Tax	49.84	2006-2008	Commissioner of GST & Central Excise, Appeals II, Chennai
The Income Tax Act, 1961	Income Tax	8,13.36	2017-2018, 2018-2019 and 2021-2022	CIT (Appeals), Income Tax

viii) In our opinion and on the basis of information and explanations given to us and as represented by the management, we have neither come across nor have been informed of transactions which were previously not recorded in the books of accountand 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. In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to financial institutions and banks.

b. According to the information, explanations and representation given to us by the management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. In our opinion and on the basis of information and explanations given to us by the management, the term loan taken during the year were applied for the purpose for which the loans were obtained.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that fund raised on short term basis have not been utilized for long term purposes.

e. According to the information and explanations given to us and as per the audit procedure performed by us, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. Accordingly, further reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.

f. According to the information and explanations given to us and as per the audit procedure performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, further reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

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

b. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (x)(b) of the Order is not applicable to the Company.

xi) a. During the course of our examination of books of account carried out during the year in accordance with generally accepted auditing practices in India, we have neither come across incidence of any material fraud by or on the company, noticed or reported, nor have we been informed of any such case by the management.

ANNEXURE "A" TO THE AUDITORS' REPORT *(Contd.)*

b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and representation received from the management, no report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed with the Central Government. Accordingly, reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

c. As represented to us by the management and as far as ascertained from examination of books of and records in accordance with generally accepted auditing practices in India, there are no whistle blower complaints received by the company during the year.Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the Company.

xii) The Company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties as disclosed in the financial statements are in compliance with Section 177 and 188 of the Act where applicable and details thereof have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) a. The Internal audit of the Company has been carried out by a firm of Chartered Accountants. The system followed, in our opinion, is generally commensurate with the size and nature of its business.

b. Further, we have considered, during the course of our audit, the reports of the internal auditor for the period under audit, issued to the Company and till the date of our audit, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".

xv) According to the information and explanations given to us and as represented to us by the management and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is 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) of the Order is not applicable to the company.

b. The Company has not conducted any Non-Banking Financial or Housing Finance Activities without a valid certificate of registration as required under Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.

c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.

d. In our opinion and based on the representation received by us from the management, 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 to the company.

xvii) On the basis of overall examination of the financial statement, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors, Management plans as provided to us 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 and assumptions as represented to us 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 for payment.

xx) a. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, there is no unspent amount under second proviso to sub-section (5) of Section 135 of the Act in respect of any project other than ongoing project. Hence, reporting under clause 3(xx)(a) of the Order is not applicable.

b. In our opinion and according to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the company.

xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No.: 301051E/E300284

R. P. Singh
Partner

Place : Kolkata
Membership No. : 052438

Date : May 18, 2026
UDIN: 26052438UKQCYK4635

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report the Members of Electrosteel Castings Limited of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Electrosteel Castings Limited ("the Company") as of March 31, 2026 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. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No.: 301051E/E300284

R. P. Singh
Partner
Membership No. : 052438
UDIN: 26052438UKQCYK4635

Place : Kolkata
Date : May 18, 2026

Standalone Balance Sheet as at March 31, 2026

(Rs. in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non–Current Assets			
(a) Property, Plant and Equipment	5	**29,35,23.70**	29,07,27.30
(b) Capital work-in-progress	51	**11,84,93.88**	12,48,78.49
(c) Other Intangible assets	6	**3,50.91**	3,68.28
(d) Right-of-use assets	7	**30,47.19**	35,60.58
(e) Investments in subsidiaries and joint ventures	8	**2,24,72.67**	1,05,53.57
(f) Financial Assets			
(i) Investments	9	**46,46.18**	49,32.75
(ii) Loans	10	**43,48.90**	–
(iii) Other financial assets	11	**2,85,49.32**	6,23,06.90
(g) Non-current tax assets (Net)	12	**15,64.47**	5,61.27
(h) Other non-current assets	13	**4,07.08**	7,28.86
		47,74,04.30	49,86,18.00
Current Assets			
(a) Inventories	14	**16,00,50.34**	18,83,87.01
(b) Financial Assets			
(i) Investments	15	**5,31,30.47**	95,88.03
(ii) Trade receivables	16	**12,22,93.42**	17,12,41.94
(iii) Cash and cash equivalents	17	**1,68,89.05**	1,10,05.04
(iv) Bank balances other than (iii) above	18	**38,28.40**	38,27.76
(v) Other financial assets	19	**1,96,15.38**	1,94,61.18
(c) Other current assets	20	**1,01,44.20**	1,39,00.29
		38,59,51.26	41,74,11.25
Total Assets		**86,33,55.56**	91,60,29.25
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	21	**61,81.84**	61,81.84
(b) Other Equity	22	**56,21,59.87**	55,75,35.21
		56,83,41.71	56,37,17.05
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	**1,98,64.76**	1,91,18.40
(ii) Lease liabilities	24	**11,81.18**	19,54.93
(iii) Other financial liabilities	25	**5,59,71.29**	5,59,40.29
(b) Provisions	26	**65,30.21**	45,45.13
(c) Deferred tax liabilities (Net)	27	**2,92,27.77**	2,69,01.02
(d) Other non-current liabilities	28	**3,55.54**	3,74.07
(e) Non-current tax liabilities (Net)	29	**20,72.67**	19,69.79
		11,52,03.42	11,08,03.63
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	30	**10,03,45.20**	16,09,34.49
(ii) Lease liabilities	24	**3,15.17**	8,01.61
(iii) Trade payables	31		
(a) Dues of micro and small enterprises; and		**16,00.83**	16,04.00
(b) Dues other than micro and small enterprises		**4,09,39.81**	4,48,60.54
(iv) Other financial liabilities	32	**1,77,60.26**	73,47.95
(b) Other current liabilities	33	**1,58,91.66**	2,31,14.69
(c) Provisions	34	**29,57.50**	24,58.09
(d) Current tax liabilities (Net)	35	**–**	3,87.20
		17,98,10.43	24,15,08.57
Total Equity and Liabilities		**86,33,55.56**	91,60,29.25

Material accounting policies and other accompanying notes (1 to 62) form an integral part of the standalone financial statements.

As per our report of even date

For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Standalone Statement of Profit and Loss for the year ended March 31, 2026

(Rs. in lakhs)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations	36	**50,32,53.91**	67,45,88.28
Other Income	37	**1,95,45.63**	93,92.58
Total income		**52,27,99.54**	68,39,80.86
EXPENSES			
Cost of materials consumed	38	**27,35,77.65**	36,44,30.45
Purchases of stock-in-trade	39	**59.55**	3.91
Changes in inventories of finished goods, stock-in-trade and process stock	40	**94,28.12**	(2,00,17.77)
Employee benefits expense	41	**4,14,10.57**	4,36,07.61
Finance costs	42	**1,26,72.06**	1,41,81.44
Depreciation and amortisation expense	43	**1,49,39.95**	1,27,47.28
Other expenses	44	**14,83,75.81**	18,43,56.14
Total expenses		**50,04,63.70**	59,93,09.06
Profit before exceptional items and tax		**2,23,35.83**	8,46,71.80
Exceptional Items	45	**38,38.26**	–
Profit before tax		**1,84,97.57**	8,46,71.80
Tax expense :	46		
Current tax		**30,78.70**	2,08,63.00
Deferred tax		**21,81.41**	(74,03.52)
Income tax pertaining to earlier years		**1,03.49**	–
Profit for the year		**1,31,33.97**	7,12,12.32
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	47		
a) Remeasurements of the defined benefit plans		**5,77.18**	(1,18.31)
b) Equity instruments through other comprehensive income		**(2,86.57)**	(10,31.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss	46.3	**(1,45.34)**	28.88
Other Comprehensive Income for the year (net of tax)		**1,45.27**	(11,21.13)
Total Comprehensive Income for the year (comprising of profit and other comprehensive income for the year)		**1,32,79.24**	7,00,91.19
Earnings per equity share of par value of Re. 1 each	52		
(1) Basic (Rs.)		**2.12**	11.52
(2) Diluted (Rs.)		**2.12**	11.52

Material accounting policies and other accompanying notes (1 to 62) form an integral part of the standalone financial statements.

As per our report of even date

For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Standalone Statement of Cash Flow for the year ended March 31, 2026

(Rs. in lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		**1,84,97.57**		8,46,71.80
Adjustment to reconcile profit before tax to net cash generated from operating activities				
Add : Depreciation and amortisation expenses	**1,49,39.95**		1,27,47.28	
Sundry balances/Advances written off	**44.78**		26.55	
Credit loss allowance on trade receivables/advances/others	**52.99**		19.81	
Fair Valuation of derivative instruments through Profit and Loss (Net)	**17,21.28**		5,43.08	
Finance costs	**1,26,72.06**	**2,94,31.06**	1,41,81.44	2,75,18.16
		4,79,28.63		11,21,89.96
Less : Interest income	**73,62.23**		57,15.70	
Dividend income from Investments	**–**		8,40.08	
Deferred Income	**25.64**		6,72.81	
Net gain on derecognition of financial assets at amortised cost	**0.65**		4.72	
Profit on sale of Current Investments	**6,14.14**		4,55.71	
Profit/ (loss) on sale / discard of Property, Plant and Equipments (Net)	**10,23.07**		(13,39.43)	
Net gain/(Loss) on fair valuation of Current Investment	**8,72.98**		8,65.91	
Unrealised Foreign Exchange Fluctuation and translation	**13,49.88**		8,93.37	
Provisions / Liabilities no longer required written back	**90,96.30**	**2,03,44.89**	1,99.27	83,08.14
Operating Profit before Working Capital changes		**2,75,83.74**		10,38,81.82
Movements in working capital				
Less : Increase/(Decrease) in Inventories	**(2,83,36.67)**		1,45,75.85	
Increase/(Decrease) in Trade Receivables	**(5,16,53.37)**		1,45,57.30	
Increase/(Decrease) in Loans and Advances, other financial and non-financial assets	**(31,52.48)**		996.89	
(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	**6,22.06**	**(8,25,20.46)**	1,03,20.87	4,04,50.91
Cash generated From Operations		**11,01,04.20**		6,34,30.91
Less : Direct Taxes paid (Net)		**44,66.13**		2,06,17.09
Net cash flow from Operating Activities (A)		**10,56,38.07**		4,28,13.82
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment against Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	**(1,21,05.40)**		(2,71,95.36)	
Realisation against Property, Plant and Equipment	**21,70.65**		3,50.69	
Purchase of Current Investments	**(39,71,33.54)**		(38,55,80.71)	
Proceeds on redemption/sale of Current Investment	**35,50,78.22**		39,18,34.65	
Investment in Subsidiary (refer note 8.1 and 22.8)	**(1,19,19.10)**		(41,48.97)	
Inter Corporate Loan given	**(40,92.20)**		–	
Interest received	**97,92.05**		27,66.10	
Dividend received	**–**		8,40.08	
Amount received against claim for coal mine	**98,37.87**		–	
Increase/(Decrease) in non current financial liabilities	**–**		3,08,96.87	
(Investment)/Redemption of fixed deposits against non current financial liabilities	**3,12,83.08**		(3,08,96.87)	
Movement in bank balances other than cash and cash equivalents	**2.97**	**(1,70,85.40)**	83,38.59	(1,27,94.93)
Net Cash flow from Investing Activities (B)		**(1,70,85.40)**		(1,27,94.93)

Standalone Statement of Cash Flow for the year ended March 31, 2026 (Contd.)

(Rs. in lakhs)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayments) from short term borrowings (net)	**(5,64,86.76)**		(88,83.04)	
Repayment of long term borrowings	**(2,16,40.49)**		(1,18,10.20)	
Proceeds from long term borrowings	**1,67,50.00**		–	
Interest and other borrowing cost paid	**(1,21,72.83)**		(1,47,76.53)	
Payment against Lease Liabilities	**(4,64.00)**		(1,38.88)	
Dividend paid	**(86,54.58)**	**(8,26,68.66)**	(55,63.66)	(4,11,72.31)
Net cash flow from Financing Activities (C)		**(8,26,68.66)**		(4,11,72.31)
D. Net increase/(decrease) in Cash and Cash equivalents (A+B+C)		**58,84.01**		(1,11,53.42)
E. Cash and Cash equivalents at the beginning of the year		**1,10,05.04**		2,21,58.46
F. Cash and Cash equivalents as at the end of the year		**1,68,89.05**		1,10,05.04

Note :

(a) The above Statement of cash flows has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

(b) Ind AS 7 Cash flow statements requires the entities to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, opening and closing balances in liabilities arising from financing activities and changes in this respect are as follows:

Particulars	As at March 31, 2025	Inflow/ (outflow) of Cash Flows (net)	Non Cash Changes		As at March 31, 2026
			Foreign Exchange Movement, Amortised Cost and Other Adjustments	Current / Non Current classification	
Borrowings-Non Current (refer note 23)	19,118.40	1,59,23.49	1,50.62	(1,53,27.75)	**1,98,64.76**
Borrowings-Current (refer note 30)	16,09,34.49	(7,73,00.74)	13,83.70	1,53,27.75	**10,03,45.20**
Lease Liabilities (refer note 24)	27,56.54	(4,64.00)	(7,96.19)	–	**14,96.35**

(c) Cash flow from Supplier Finance Arrangement

Particulars	As at March 31, 2025	Inflow/ (outflow) of Cash Flows (net)	Foreign Exchange Movement / Other Adjustments	As at March 31, 2026
Carrying amount of Financial Liabilities that are presented in trade and other payables	15,54.76	7,06.23	–	**22,60.99**

(d) Components of Cash and Cash Equivalent have been disclosed in note 17 of the financial statement.

Material accounting policies and other accompanying notes (1 to 62) form an integral part of the standalone financial statements.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Standalone Statement of changes in Equity for the year ended March 31, 2026

A. Equity Share Capital

(Rs. in lakhs)

As at April 01, 2025	Changes in equity share capital during the year	As at March 31, 2026
61,81.84	–	61,81.84

(Rs. in lakhs)

As at April 01, 2024	Changes in equity share capital during the year	As at March 31, 2025
61,81.84	–	61,81.84

B. Other Equity

As at March 31, 2026

(Rs. in lakhs)

Particulars	Reserves & Surplus					Items of other comprehensive income		Total
	Capital Reserve	Capital Reserve on Amalgamation	Securities Premium	General Reserve	Retained Earnings	Re–measurement of defined benefit plans	Equity Instrument through Other Comprehensive Income	
As at April 01, 2025	41,48.28	(4,40,25.80)	11,75,35.28	14,85,07.51	32,89,29.51	–	24,40.43	55,75,35.21
Total Comprehensive Income for the year	–	–	–	–	1,31,33.97	4,31.91	(2,86.64)	1,32,79.24
Transferred to Retained Earnings (refer note 22.8)	–	–	–	–	4,31.91	(4,31.91)	–	–
Dividend on Equity shares	–	–	–	–	(86,54.58)	–	–	(86,54.58)
As at March 31, 2026	41,48.28	(4,40,25.80)	11,75,35.28	14,85,07.51	33,38,40.81	–	21,53.79	56,21,59.87

Standalone Statement of changes in Equity for the year ended March 31, 2026 (Contd.)

B. Other Equity

As at March 31, 2025

(Rs. in lakhs)

Particulars	Reserves & Surplus					Items of other comprehensive income		Total
	Capital Reserve	Capital Reserve on Amalgamation	Securities Premium	General Reserve	Retained Earnings	Re–measurement of defined benefit plans	Equity Instrument through Other Comprehensive Income	
As at April 01, 2024	41,48.28	(4,40,25.80)	11,75,35.28	14,85,07.51	26,33,46.83	–	34,95.58	49,30,07.68
Total Comprehensive Income for the year	–	–	–	–	7,12,12.32	(88.53)	(10,32.60)	7,00,91.19
Transferred to Retained Earnings (refer note 22.8)	–	–	–	–	(65.98)	88.53	(22.55)	–
Dividend on Equity shares	–	–	–	–	(55,63.66)	–	–	(55,63.66)
As at March 31, 2025	41,48.28	(4,40,25.80)	11,75,35.28	14,85,07.51	32,89,29.51	–	24,40.43	55,75,35.21

Refer Note 22 for nature and purpose of reserves.

Material accounting policies and other accompanying notes (1 to 62) form an integral part of the standalone financial statements.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026

1. Corporate Information

Electrosteel Castings Limited ('the Company') is a public limited company in India having its corporate office in Kolkata in the State of West Bengal and registered office at Rajgangpur, District: Sundergarh in the State of Odisha and is engaged in the manufacture and supply of Ductile Iron (DI) Pipes, Ductile Iron Fittings (DIF) and Cast Iron (CI) Pipes as its core business and also produces Pig Iron, Metallurgical Coke, Sponge Iron, Sinter, Cement, Ferro products, Paint and Power along with and incidental to the same. The manufacturing activities of the company are spread over five different locations situated at Khardah, Haldia, Bansberia, Srikalahasthi and Elavur. The company caters to the needs of Water Infrastructure Development. The Company's shares are listed on National Stock Exchange of India Limited and BSE Limited.

2. Recent Accounting Developments

2.1 Application of new and revised standards:

Effective April 01, 2025, the Company has adopted the amendments notified by the Ministry of Corporate Affairs ('MCA') related to Indian Accounting Standard ('Ind AS') 21 "The Effects of Changes in Foreign Exchange Rates" which provided guidance for assessing lack of exchangeability between currencies and estimating the spot exchange rate when a currency is not exchangeable. Additional disclosure requirements have also been introduced in such scenarios, including the nature and financial effect of the currency in exchangeability, the estimation methodology used, and risks arising therefrom.

Further, provisions of Indian Accounting Standard ('Ind AS') 12 have also been amended for implementation of International Tax Reforms - Pillar Two Model Rules providing temporary relief from deferred tax accounting for top up tax. Accordingly, an entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two Income Taxes. Also, amendment has been made in Ind AS 7 "Statement of Cash Flows" and Ind AS 107 "Financial Instruments: Disclosures" to provides for disclosure with respect to Supplier Finance Arrangement with the objective to assess how supplier's finance arrangement affect the entity's liabilities, cash flow and their effect on the company's exposure to liquidity risk.

The adoption of these amendments to the extent applicable to the Company did not have material impact on the profit or loss and earnings per share of the Company for the year.

2.2 Standards issued but not yet effective:

MCA vide notification dated August 13, 2025 has also amended Ind AS 1 relating to Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8. The Company does not expect this amendment to have an impact on its operations or financial statements.

2.3 The Board of Directors have approved these financial statements for issuing to the shareholders for their adoption. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3. Statement of compliance and Material Accounting Policies

3.1 Statement of Compliance

As stated in note 50, balances under various heads which otherwise would have been measured and disclosed as per the requirement of relevant Indian Accounting Standards due to the reasons stated therein have been continued to be so carried forward pending finalisation of the matter and determination of the amount as claim of the company in this respect. Other than this, these financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and the Company has complied with Ind AS issued, notified and made effective till the date of authorisation of the financial statements.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Accounting Policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis except for:-

a) certain financial instruments that are measured in terms of relevant Ind AS at fair value/ amortized cost at the end of each reporting period;

b) certain class of Property, Plant and Equipment which on the date of transition have been fair valued to be considered as deemed costs; and

c) Defined benefit plans- Plan Assets measured at fair value

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Company, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification.

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Fair Value Measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1 : Quoted prices ('unadjusted') in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly for the asset or liability.

Level 3 : Inputs for the asset or liability which are not based on observable market data ('unobservable inputs').

The company has an established control framework with respect to the measurement of fair value. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant and Equipment (PPE)

Property, plant and equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition i.e. PPE which have been fair valued on transition to be considered as deemed cost, purchase price of assets or its construction cost including duties and taxes (net of input tax credit availed), inward freight and other expenses incidental to acquisition or installation, adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. In addition interest on borrowing to finance the construction of qualifying assets is capitalised as a part of the assets cost until such time the asset is ready for it's intended use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. This includes expenditure incurred for relining of Blast Furnace/Coke Oven Battery.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Capital Work-in-progress includes project development expenses, equipments to be installed, construction and erection materials etc. Such costs are added to the related items and are classified to the appropriate categories of PPE when completed and ready for intended use.

The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on March 31, 2009 (as amended on December 29, 2011), which has been continued in accordance with Ind-AS 101 for all long term foreign currency monetary items existing as at March 31, 2016. Accordingly, exchange differences relating to long term monetary items, in so far as they relate to the acquisition of PPE, remain adjusted in the carrying amount of such assets.

Depreciation and Amortization

Depreciation on PPE except as stated below, is provided as per Schedule II of the Companies Act, 2013 on straight line method. In the following cases depreciation has been provided on written down value method using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act 2013:

– PPE at Elavur unit and

– PPE at Khardah, Haldia and Bansberia unit excluding plant and equipment and office equipments

Certain plant and equipments have been considered as Continuous Process Plant on the basis of technical assessment. Depreciation on upgradation of Property, Plant and Equipment is provided over the remaining useful life of the entire component/ PPE.

In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation on such part has been based on internal assessment and independent technical evaluation carried out by external valuers.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, these assets are depreciated over the useful lives and such life as estimated and considered for depreciation are as follows:

Category	Useful life
Buildings	
Non-Factory Building (RCC Frame Structure)	60 Years
Factory Building	30 Years
Roads	
Carpeted Roads-RCC	10 Years
Carpeted Roads-other than RCC	5 Years
Non-Carpeted Roads	3 Years
Plant and machinery	
Sinter Plant, Blast Furnace, Coke Oven	20 Years
Coke Oven Battery Relining	5 Years
Blast Furnace Relining	2 to 6 Years
Pipe Moulds (specified size)	3 Years
Gasket Moulds	10 Years
Power Plant	40 Years
Others	
– Continuous Process Plant	15 Years
– Others	25 Years
Computer equipment	
Servers and networks	6 Years
Others	3 Years
Furniture and fixtures, Electrical Installation and Laboratory Equipment's	10 Years
Office equipment	5 Years
Vehicles	
Motor cycles, scooters and other mopeds	10 Years
Others	8 Years

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Railway siding constructed on Government land is amortised over the period of 10 years in terms of agreement.

Assets costing rupees five thousand or less are being depreciated fully in the year of addition/acquisition.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right to use wagons acquired under "Wagon Investment Scheme", are amortized over a period of 10 years.

Intangible assets comprising of cost of computer software packages (ERP and others) and mining rights are allocated / amortized over a period of 5 years and available period of mining lease respectively.

The management believes that the useful lives as considered above is realistic and reflect a fair approximation of the period over which assets are expected to be used.

Depreciation/ Amortisation methods, useful lives and residual values are reviewed and adjusted as appropriate, at each reporting date.

3.3 Intangible Assets

Intangible assets have been stated at deemed cost on transition date or at cost of acquisition comprising of purchase price inclusive of duties and taxes (net of input tax credit) less accumulated amortization and impairment losses.

Expenditure incurred on research and development are not capitalized but are charged as expense in the statement of profit and loss in the period in which such expenditure is incurred.

3.4 Leases

(i) Company as a lessee

The Company's lease asset classes primarily consist of leases for Land, Buildings and Plant and Equipment. The Company assesses whether a contract is or contains a lease at the inception of a contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. the contract involves the use of an identified asset;
2. the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less ('short term leases') or leases pertaining to low value assets. For these short term leases or low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liabilities when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liabilities and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(ii) Company as a lessor

a. Finance Lease

A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially, asset held under finance lease is recognised in Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease.

b. Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5 Derecognition of Tangible and Intangible assets

An item of PPE/ ROU/ Intangible Asset is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE/ Intangible Assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.6 Impairment of Tangible/ Intangible and ROU Assets

Tangible/ Intangible and ROU assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit ('CGU') or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.7 Financial Instruments

Financial assets and financial liabilities ('financial instruments') are recognised when the company becomes a party to the contractual provisions of the instruments. The company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

A. Financial Assets

I. Initial Recognition and measurement

The financial assets include investments, trade receivable, loans and advances, cash and cash equivalents, bank balances other than cash and cash equivalents, derivative financial instruments and other financial assets.

Financial assets are initially measured at fair value or transaction price as applicable when the company becomes party to the contractual obligation. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivable that do not contain a significant financing component are measured at transaction price.

II. Subsequent measurement

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

(i) at amortised cost,

(ii) at fair value through other comprehensive income (FVTOCI), and

(iii) at fair value through profit or loss (FVTPL).

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Financial Assets at amortised cost

A 'financial Asset' is measured at the amortised cost if the following two conditions are met:

(i) The asset is held within a business whose objective is to hold these assets in order to collect contractual cash flows and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised Cost is determined using the Effective Interest Rate ("EIR") method. Discount or premium on acquisition and other fees or costs forms an integral part of the EIR.

Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

Financial Assets at Fair value through profit or loss (FVTPL)

Financial Assets which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Statement of profit and loss.

Equity Instruments

Investments in Equity Instruments of Subsidiaries and Joint Ventures are measured at cost. Other than this, the company makes an election to present changes in fair value through other comprehensive income or through profit or loss on instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

In case the company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). Profit or loss arising on sale is taken to OCI. The amount accumulated in this respect is transferred within the Equity on derecognition.

III. Derecognition

The company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

B. Financial Liabilities

I. Initial Recognition and measurement

The financial liabilities include trade and other payables, loan and borrowings, derivative financial instruments, other financial liabilities and financial guarantee contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or are deducted from the fair value of the financial liabilities as appropriate in initial recognition.

II. Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified in the following categories:

(i) at amortised cost; or

(ii) at fair value through profit or loss (FVTPL).

Financial Liabilities at amortised cost

After initial recognition, financial liabilities are measured at amortized cost using Effective Interest Rate ('EIR') method. When the financial liabilities are derecognised, gain or losses are recognised in the statement of profit and loss. Discount or premium on acquisition and other fees or costs forms an integral part of the EIR.

Financial Liabilities at Fair value through profit or loss ('FVTPL')

Financial Liabilities which does not meet the criteria of amortised cost are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Statement of Profit and Loss.

III. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

C. Derivative and Hedge Accounting

Initial Recognition and Subsequent measurement

The company enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/ financial liability at fair value through profit or loss. Transaction costs attributable are also recognized in the Statement of Profit and Loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Statement of Profit and Loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated remains therein till that time and thereafter to the extent hedge accounting being discontinued is recognised in Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

D. Offsetting financial instruments

Financial assets and liabilities including derivative financial instruments are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

E. Impairment of financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL's at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves, such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the statement of profit and loss. The balance sheet presentation for Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

3.8 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'weighted average' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and process stock represents direct and indirect cost for bringing the inventory to present situation and condition including cost of material plus costs of conversion, comprising of labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

Cost of traded goods include cost of purchase and other cost incurred in bringing the inventory to their present location and condition.

Scrap and By Products which are sold are valued at estimated net realizable value.

Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

3.9 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency at the exchanges rate prevailing on the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the reporting date exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

The Company had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on March 31, 2009 (as amended on December 29, 2011), which has been continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at March 31, 2016. Accordingly, exchange differences relating to long term monetary items, in so far as they relate to the acquisition of Property, Plant and Equipment, were adjusted in the carrying amount of such assets.

3.10 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required for settlement of the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent assets are not recognised but disclosed by way of notes in the financial statements when an inflow of economic benefits is probable.

3.12 Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employee.

Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

Other Long Term Employee Benefits

The cost of providing long term employee benefits consisting of leave encashment that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using long term interest rate as applicable to the government securities ('G-Sec') at the end of the reporting period that have terms approximating to the terms of related obligation. Actuarial gains and losses and past service cost are recognised immediately in the Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Balance Sheet represents the present value of related obligation.

Post Employment Benefits

The Company operates the following post employment schemes:

– Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities ('G-Sec') at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

– Defined Contribution Plan

Defined contribution plans such as provident fund etc. are charged to the statement of profit and loss as and when incurred. Contribution to Superannuation fund and National Pension Scheme, a defined contribution plan is made in accordance with the company's policy and is recognised in the Statement of Profit and Loss.

3.13 Operating and Other Income

i. Revenue from Sale of Products

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to perform their respective obligations;

(ii) each party's rights regarding the goods or services to be transferred and payment terms there against can be identified; and

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

Revenue from contract with customers is recognized on satisfaction of performance obligation, when control over the goods or services has been transferred and/or goods/ services are delivered/ provided to the customer. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the company has sufficient evidence that all the criteria for acceptance have been satisfied.

Revenue is measured at the amount of transaction price (consideration specified with the customers) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of rebates, claims and discounts, returns, Goods and Service Tax (GST) and such other taxes collected on behalf of third party not being economic benefits flowing to the company are

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

excluded from revenue. Accumulated experience is used to estimate and provide for the discounts, returns using the expected value method.

The liability for refund against expected returns out of the sales made and corresponding assets for the products expected to be returned is recognised in the year of happening of the incidence.

ii. Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

iii. Export Benefits

Export incentives are accounted for in the year of export if the entitlements and realisibility thereof can be estimated with reasonable accuracy and conditions precedent to such benefit have been fulfilled.

3.14 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs general or specific are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property, Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.15 Non-current assets (or disposal groups) held for sale

Non-current assets held for sale are presented separately in the balance sheet when the following criteria are met:

– the Company is committed to selling the asset;

– the assets are available for sale immediately;

– an active plan of sale has commenced; and

– Sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

Non-current asset classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a Non-current asset classified as held for sale are presented separately from other liabilities in the balance sheet.

3.16 Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to the Statement of Profit and Loss Account under "Other Operating Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise for acquiring non current assets are recognized as Deferred Income and disclosed under Non Current Liabilities and transferred to the Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to the Statement of Profit and Loss over the periods as specified for meeting the obligations related to such grants.

3.17 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset related current tax assets against current tax liabilities and when these relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

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

Deferred tax items in correlation to the underline transactions relating to Other Comprehensive Income and Equity are recognised in Other Comprehensive Income and Equity respectively.

3.18 Earnings Per Share

Basic earnings per share are computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.19 Segment Reporting

Operating segments are identified and reported taking into account the different risk and return, organisation structure and in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). CODM is responsible for allocating resources and assessing performance of the operating segments, financial results, forecasts or plan for the segment and accordingly is identified as the chief operating decision maker.

The Company has identified one reportable segment "Pipes and Fittings" being primary segment and all other activities revolve around the main business based on the information reviewed by the CODM.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below. The matters dealt with in point 4.1 to 4.8 below provide an overview of the areas that involved a high degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements are included in the relevant notes together with information about basis of calculation of each affected line item in the financial statements.

4.1 Depreciation / amortization and impairment on Property, Plant and Equipment / intangible assets/ ROU

Property, Plant and Equipment and Intangible Assets are depreciated/ amortised on straight-line /written down value basis over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013 or as estimated by the management, taking into account the estimated residual value, wherever applicable. ROU are depreciated on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment if any to be recorded during any reporting period. This reassessment may result in variation in the amount of depreciation and amortisation in future period.

The company reviews carrying value of Tangible/ Intangible and ROU Assets whenever there is objective evidence that the assets are impaired. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units ('CGU') fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. Accordingly, these assets have been

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

carried forward at their respective carrying value and no provision on account of impairment there against as such have been considered necessary.

4.2 Impairment of Investments in Subsidiaries and Joint Ventures

The company reviews its carrying value of investments in Subsidiaries and Joint Venture carried at cost/ deemed cost (net of impairment if any) annually or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount the impairment loss is accounted for in the Statement of Profit and Loss. Accordingly, no further provision on account of impairment have been considered in these financial statement.

4.3 Right-of-use assets and lease liabilities

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account among other thing, the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

4.4 Claims and Compensation

Claims including insurance claims / arbitration claim are accounted for on determination of certainty of realisation thereof. Compensation receivable against coal mine pending final acceptance or settlement thereof has not been given effect to, as the amount expected to be realised in this respect has not been considered to be less than the carrying amount of the relevant assets and other recoverables. In respect of certain other claims, compensation already awarded in respect of such claims being disputed and pending before the judicial authorities, have not been accrued and have been disclosed as Contingent Assets as at the end of the reporting period.

4.5 Impairment allowances on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. In case of variation in financial condition the amount of impairment as recognised may vary having a significant impact on the Financial Statement.

4.6 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes. Also there are matters pending before various judicial authorities outcome whereof are uncertain. Further, material judgement and assumptions are involved for arriving at timing differences and consequential adjustments on account of deferred taxation are given effect to wherever there are uncertainties leading to the variations in earlier assumptions.

4.7 Defined benefit obligation (DBO)

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on actuarial basis using a number of assumptions. An actuarial valuation critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.8 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to consider changing facts and circumstances.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

5. Property, Plant and Equipment :
As at March 31, 2026

(Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Railway Siding	Live Stock	Total
Gross Block									
As at April 1, 2025	**15,64,07.37**	**2,99,46.73**	**18,32,29.47**	**5,03.66**	**26,33.73**	**20,03.75**	**33,63.20**	**1.11**	**37,80,89.02**
Additions	1,29.42	10,15.00	1,68,36.03	38.06	1,26.00	2,02.99	–	–	1,83,47.50
Disposal/adjustments	–	–	(32,68.32)	–	(1,76.06)	(3.74)	**(10,81.47)**	–	(45,29.59)
As at March 31, 2026	**15,65,36.79**	**3,09,61.73**	**19,67,97.18**	**5,41.72**	**25,83.67**	**22,03.00**	**22,81.73**	**1.11**	**39,19,06.93**
Accumulated Depreciation									
As at April 1, 2025	**–**	**1,29,97.24**	**6,82,47.25**	**3,33.63**	**12,77.61**	**11,55.27**	**33,50.72**	–	**8,73,61.72**
Charge for the year	–	11,33.44	1,25,94.91	39.46	3,99.91	2,35.80	–	–	1,44,03.52
Disposal/adjustments	–	–	(21,67.12)	–	(1,30.30)	(3.12)	(10,81.47)	–	(33,82.01)
As at March 31, 2026	**–**	**1,41,30.68**	**7,86,75.04**	**3,73.09**	**15,47.22**	**13,87.95**	**22,69.25**	–	**9,83,83.23**
Net carrying amount									
As at March 31, 2026	**15,65,36.79**	**1,68,31.05**	**11,81,22.14**	**1,68.63**	**10,36.45**	**8,15.05**	**12.48**	**1.11**	**29,35,23.70**

As at March 31, 2025

(Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Railway Siding	Live stock	Total
Gross Block									
As at April 1, 2024	15,51,73.54	2,64,01.19	16,51,75.92	4,42.64	20,98.90	15,86.31	33,63.20	1.11	35,42,42.81
Additions	12,33.83	35,45.54	2,10,16.88	61.07	8,41.14	4,46.65	–	–	2,71,45.11
Disposal/adjustments	–	–	(29,63.33)	(0.05)	(3,06.31)	(29.21)	–	–	(32,98.90)
As at March 31, 2025	15,64,07.37	2,99,46.73	18,32,29.47	5,03.66	26,33.73	20,03.75	33,63.20	1.11	37,80,89.02
Accumulated Depreciation									
As at April 1, 2024	–	1,19,31.27	5,89,15.27	2,90.63	11,87.60	9,60.33	33,50.72	–	7,66,35.82
Charge for the year	–	10,65.97	1,06,63.22	43.05	3,43.41	2,19.03	–	–	1,23,34.68
Disposal/adjustments	–	–	(13,31.24)	(0.05)	(2,53.40)	(24.09)	–	–	(16,08.78)
As at March 31, 2025	–	1,29,97.24	6,82,47.25	3,33.63	12,77.61	11,55.27	33,50.72	–	8,73,61.72
Net carrying amount									
As at March 31, 2025	15,64,07.37	1,69,49.49	11,49,82.22	1,70.03	13,56.12	8,48.48	12.48	1.11	29,07,27.30

Notes :

5.1 Plant and Equipments include Rs. 4,06.21 lakhs (previous year Rs. 4,06.72 lakhs) being contribution for laying the power line, the ownership of which does not vest with the Company.

5.2 Railway Siding represents the cost of construction of the assets allowed to be used over the specified period as per the terms of the agreement.

5.3 Freehold land includes

(a) Rs. 32,49.00 lakhs (previous year Rs. 32,49.00 lakhs) pertaining to Parbatpur Coal Mine which has been vested to an another successful bidder as dealt with in note 50, and also includes Rs. 3,35.81 lakhs (previous year Rs. 3,35.81 lakhs) in respect of which the execution of conveyance deeds are pending.

(b) Rs. 2,75.27 lakhs (previous year Rs. 2,75.27 lakhs) towards contribution in relation to a Joint Venture Company "North Dhadhu Mining Company Private Limited" (refer note 8.2).

5.4 Freehold land includes Rs. 18,89.04 lakhs (previous year Rs. 18,89.04 lakhs) acquired on merger of erstwhile Mahadev Vyapar Private Limited and Rs. 1,93,06.71 lakhs (previous year Rs. 1,96,39.06 lakhs) on merger of erstwhile Srikalahasthi Pipes Limited (SPL) pending execution of the deeds in favour of the company.

5.5 Freehold land includes land amounting to Rs. 2,94,93.58 lakhs (previous year Rs. 2,94,93.58 lakhs) situated at Elavur plant of the Company and are mortgaged in the favour of lender to ESL Steel Limited, an erstwhile associate of the Company. (Also refer note 9.1)

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

5.6 During the year ended March 31, 2023, 1942.56 sq. mtr. of land was acquired by Union of India under the provisions of National Highways Act, 1956 and required adjustment with respect to compensation amounting to Rs. 16.24 lakhs received by the company was given effect. The company aggrieved by the compensation granted, has accepted the amount under protest and pursuant to the petition filed before the Hon'ble Court of Andhra Pradesh in this respect, the matter has been remanded back to Arbitrator with a direction to issue a notice to the Company allowing them to put forth their case and the matter is pending for adjudication as on this date.

5.7 Title deeds of immovable property not held in the name of the Company are as follows:

As at March 31, 2026 (Rs. in lakhs)

Description of item of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative/ employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	3,35.81	Various owners having small plots (related to Coal mine)	No	Between 2008-09 to 2014-15	Refer note 5.3 and 50
Freehold land	18,89.04	Mahadev Vyapaar Private Limited	No	April 01, 2014	Refer note 5.4
Freehold land	1,93,06.71	Srikalahasthi Pipes Limited	No	October 01, 2020	Refer note 5.4

As at March 31, 2025 (Rs. in lakhs)

Description of item of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative/ employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	3,35.81	Various owners having small plots (related to Coal mine)	No	Between 2008-09 to 2014-15	Refer note 5.3 and 50
Freehold land	18,89.04	Mahadev Vyapaar Private Limited	No	April 01, 2014	Refer note 5.4
Freehold land	1,96,39.06	Srikalahasthi Pipes Limited	No	October 01, 2020	Refer note 5.4

5.8 The Company doesn't hold any Benami Property and there is no proceedings initiated or pending against the Company for holding any Benami Property under the Benami Transaction (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

5.9 Refer note 23 to financial statements in respect of charge created against borrowings.

5.10 The above includes assets pertaining to Parbatpur Coal Block, consequential adjustment whereof will be given effect to as dealt with in note 50 of the financial statement.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

6. Other Intangible Assets

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Computer Softwares**	**Mining Rights**	**Right to Use under WIS**	**Total**
Gross Block				
As at April 1, 2025	**10,85.27**	**8.13**	**8,65.14**	**19,58.54**
Additions	98.53	–	–	98.53
Disposal/Adjustment	–	–	–	–
As at March 31, 2026	**11,83.80**	**8.13**	**8,65.14**	**20,57.07**
Accumulated Amortisation				
As at April 1, 2025	**7,16.99**	**8.13**	**8,65.14**	**15,90.26**
Charge for the year	1,15.90	–	–	1,15.90
Disposal/Adjustment	–	–	–	–
As at March 31, 2026	**8,32.89**	**8.13**	**8,65.14**	**17,06.16**
Net carrying amount				
As at March 31, 2026	**3,50.91**	**–**	**–**	**3,50.91**

As at March 31, 2025 (Rs. in lakhs)

Particulars	**Computer Softwares**	**Mining Rights**	**Right to Use under WIS**	**Total**
Gross Block				
As at April 1, 2024	9,98.19	8.13	8,65.14	18,71.46
Additions	87.13	–	–	87.13
Disposal/Adjustment	(0.05)	–	–	(0.05)
As at March 31, 2025	10,85.27	8.13	8,65.14	19,58.54
Accumulated Amortisation				
As at April 1, 2024	6,13.97	8.13	8,65.14	14,87.24
Charge for the year	1,03.07	–	–	1,03.07
Disposal/Adjustment	(0.05)	–	–	(0.05)
As at March 31, 2025	7,16.99	8.13	8,65.14	15,90.26
Net carrying amount				
As at March 31, 2025	3,68.28	–	–	3,68.28

6.1 Right to use under WIS represents cost incurred in connection with wagon procured under "Wagon investment Scheme" ('WIS') and handed over to the railway authorities for their normal operations and ensuring the availability of the wagons on priority for transportation etc. as and when required.

The company being deprived of the availability of the wagons as per the WIS had terminated the agreement with South Eastern Railway ('SER') and lodged a claim of Rs. 2,32,44.82 lakhs for compensation in this respect. Arbitration award pursuant to the claim for compensation amounting to Rs. 2,52,85.27 lakhs (including interest) had been allowed in favour of the Company. Meanwhile, the company filed an application for release of the balance amount due/payable by SER under the award against which subsequently on June 27, 2024, the Hon'ble Calcutta High Court has directed SER to deposit additional sum of Rs. 60,00.00 lakhs against interest accrued till June 20, 2024. Pending decision of the Hon'ble Court, Rs. 3,12,85.27 lakhs as decided including interest as stated above had been deposited by SER. The company on submission of the Bank Guarantee had withdrawn Rs. 3,10,32.42 lakhs (net of Rs. 2,52.85 lakhs on account of commission and other charges) which had been deposited in fixed deposit with bank and equivalent amount towards liability, if any arising in this respect has been recognised as 'Other Financial Liabilities' (refer note 25) in these financial statements. During the year vide judgement dated October 24, 2025, Hon'ble High Court has dismissed the application with a direction to release the bank guarantee and thereby, the fixed deposits pledged against the same has been released by the bank. Subsequently, SER has filed a SLP before the Hon'ble Supreme Court of India against the arbitration award, outcome of which is awaited as on this date.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Differential amount of Rs.2,52.85 lakhs deducted on account of commission and other charges and interest if any payable in this respect depending upon the outcome of the decision of the Hon'ble Supreme Court of India has been disclosed as contingent liabilities (refer note 54(i)(h)) in these financial statements. Adjustments with respect to ROU Assets as above and amount of claim (refer note 54(ii)(b)) will be given effect to on determination thereof upon final decision on the matter.

6.2 Refer note 23 to financial statements in respect of charge created against borrowings.

6.3 Refer note 50 dealing with coal mine assets.

7. Right of Use Assets

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Land**	**Building**	**Plant and Equipments**	**Total**
Gross Block				
As at April 1, 2025	**20,81.98**	**10,34.14**	**21,59.86**	**52,75.98**
Additions	–	9,87.74	–	9,87.74
Disposal/Adjustment	–	(63.24)	(21,59.86)	(22,23.10)
As at March 31, 2026	**20,81.98**	**19,58.64**	**–**	**40,40.62**
Accumulated Depreciation				
As at April 1, 2025	**3,04.27**	**3,74.47**	**10,36.66**	**17,15.40**
Charge for the year	31.28	3,46.65	42.60	4,20.53
Disposal/Adjustment	–	(63.24)	(10,79.26)	(11,42.50)
As at March 31, 2026	**3,35.55**	**6,57.88**	**–**	**9,93.43**
Net carrying amount				
As at March 31, 2026	**17,46.43**	**13,00.76**	**–**	**30,47.19**

As at March 31, 2025 (Rs. in lakhs)

Particulars	**Land**	**Building**	**Plant and Equipments**	**Total**
Gross Block				
As at April 1, 2024	20,81.98	10,34.14	21,59.86	52,75.98
Additions	–	–	–	–
Disposal/Adjustment	–	–	–	–
As at March 31, 2025	20,81.98	10,34.14	21,59.86	52,75.98
Accumulated Depreciation				
As at April 1, 2024	2,72.99	2,68.99	8,63.89	14,05.87
Charge for the year	31.28	1,05.48	1,72.77	3,09.53
Disposal/Adjustment	–	–	–	–
As at March 31, 2025	3,04.27	3,74.47	10,36.66	17,15.40
Net carrying amount				
As at March 31, 2025	17,77.71	6,59.67	11,23.20	35,60.58

7.1 Also refer note 44.3

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

8. Investment In Subsidiaries and Joint Ventures

(Fully paid up except otherwise stated) (Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Holding (Nos.)	Amount	Holding (Nos.)	Amount
Investments in Equity Instruments				
Investment measured at Cost/Deemed Cost				
Unquoted				
Subsidiaries				
Electrosteel Europe SA (Face value of Euro 10 each)	**380000**	**23,23.41**	380000	23,23.41
Electrosteel Algerie SPA (Face value of 1637.50 Algerian Dinar each)	**82500**	**9,14.41**	82500	9,14.41
Electrosteel Castings (UK) Ltd. (Face value of GBP 1 each)	**1100000**	**10,59.26**	1100000	10,59.26
Electrosteel USA, LLC	**#**	**14,45.60**	#	14,45.60
Electrosteel Trading S.A.U. Spain (Face Value of Euro 10 each)	**6500**	**45.10**	6500	45.10
Electrosteel Castings Gulf FZE (Face Value of UAE Dhiram 1000000 each)	**1**	**1,50.60**	1	1,50.60
Electrosteel Brasil LTDA Tubos E Conexoes Duteis (Face Value of BRL 1 each)	**150000**	**45.05**	150000	45.05
Electrosteel Doha for Trading LLC (Face Value of QAR 1000 each)	**98**	**14.84**	98	14.84
Electrosteel Bahrain Holding WLL (Face value of BHD 100 each)	**2500**	**4,14.83**	2500	4,14.83
Singardo International Pte Limited (Face value of SGD 1 each)	**2790000**	**41,85.52**	2790000	41,85.52
TIS Service S.P.A. (Face value of EUR 1 each) (refer note 8.1)	**3000000**	**1,19,19.10**	–	–
		2,25,17.72		1,05,98.62
Joint Venture				
North Dhadhu Mining Company Private Limited (Face value of Rs.10/- each) (refer note 8.2)	**8228053**	**8,22.81**	8228053	8,22.81
		8,22.81		8,22.81
Less: Impairment in value of Investments		**(8,67.86)**		(8,67.86)
		2,24,72.67		1,05,53.57
Total investment in Subsidiaries and Joint Venture		**2,24,72.67**		1,05,53.57
#Towards 100% Capital Contribution				
Aggregate amount of Unquoted Investments		**2,33,40.53**		1,14,21.43
Aggregate amount of Impairment in value of Investment		**8,67.86**		8,67.86

8.1 The Company pursuant to Share Purchase Agreement ('SPA') entered into with T.I.S. Group S.P.A. has acquired 3000000 equity shares of EURO 1 each of T.I.S. Service S.P.A ("TIS") representing 100% shareholding of TIS at an aggregate consideration of EURO 11500000 equivalent to Rs. 1,14,70.16 lakhs. The entire consideration has been remitted on July 29, 2025 and therefore TIS has become a wholly owned subsidiary of the company.

8.2 (a) The North Dhadhu Coal Block located in the state of Jharkhand was allocated to the Company, Amalgam Steel & Power Limited ('ASPL'), Jharkhand Ispat Private Limited ('JPL') and Pawanjay Steel & Power Limited ('PSPL') (collectively referred to as 'venturers') for working through North Dhadhu Mining Company Private Limited ('NDMCPL'), a joint venture company. The Company has joint control (proportionate of ownership interest of the Company being 48.98%) along with other venturers represented by investment of Rs. 8,22.81 lakhs in equity shares of NDMCPL.

(b) Pursuant to the Order dated September 24, 2014 issued by the Hon'ble Supreme Court of India ('the Order') followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, The Ministry of Coal, Government of India had issued an order for de-allocation of North Dhadhu Coal Block. In terms of the Ordinance (subsequently promulgated into Coal Mine (Special Provision) Act, 2015) NDMCPL has submitted a claim of Rs. 70,33.00 lakhs (previous year Rs. 70,35.00 lakhs) for compensation which is awaiting acceptance. In view of the management, the compensation to be received in terms of the ordinance is expected to cover the cost incurred by the Joint venture company and the cost of land as stated in note 5.3 (b). However as an abundant precaution, the value of the investment amounting to Rs. 8,22.81 lakhs in Joint venture had fully been provided in earlier years' and recognised as impairment thereagainst.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

8.3 Particulars of investments as required in terms of section 186(4) of the Companies Act,2013 have been disclosed under note 8, 9 and 15.

8.4 **Details of Subsidiaries and Joint Ventures in accordance with Ind AS 112 "Disclosure of interests in other entities":**

Name of the Company	Country of Incorporation	Proportion of ownership interest/voting rights held by the company	
		At at March 31, 2026	At at March 31, 2025
Subsidiaries			
Electrosteel Europe SA	France	**100.00%**	100.00%
Electrosteel Algerie SPA	Algeria	**100.00%**	100.00%
Electrosteel Castings (UK) Limited	United Kingdom	**100.00%**	100.00%
Electrosteel USA LLC	United States of America	**100.00%**	100.00%
Electrosteel Trading S.A.U. Spain	Spain	**100.00%**	100.00%
Electrosteel Castings Gulf FZE	United Arab Emirates	**100.00%**	100.00%
Electrosteel Doha for Trading (LLC)	Qatar	**97.00%**	97.00%
Electrosteel Brasil LTDA. Tubos e Conexoes Duteis	Brazil	**100.00%**	100.00%
Electrosteel Bahrain Holding WLL	Bahrain	**100.00%**	100.00%
Singardo International Pte Limited	Singapore	**100.00%**	100.00%
TIS Service S.P.A. (refer note no. 8.1)	Italy	**100.00%**	–
Joint Ventures			
North Dhadhu Mining Company Private Limited	India	**48.98%**	48.98%

9. Non Current Investment

(Fully paid up except otherwise stated)

(Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Holding (Nos.)	Amount	Holding (Nos.)	Amount
Investment designated at Fair Value through Other Comprehensive Income (FVTOCI) **Investments in Equity Instruments**				
Quoted				
R.G. Ispat Limited (Face value of Rs.10 each)*	**50**	**0.00**	50	0.00
		0.00		0.00
Unquoted				
Rainbow Steels Limited (Face value of Rs.10 each)	**100**	**0.01**	100	0.01
N Marshall Hi-tech Engineers Private Limited (Face value of Rs.10 each)	**50000**	**9.95**	50000	9.47
ESL Steel Limited (Face value Rs. 10 each) (refer note 9.1)	**19796000**	**46,36.22**	19796000	49,23.27
		46,46.18		49,32.75
		46,46.18		49,32.75
Total - Non-Current Investments		**46,46.18**		49,32.75
Aggregate amount of Quoted Investments*		**0.00**		0.00
Aggregate amount of Market value of Quoted Investments*		**0.00**		0.00
Aggregate amount of Unquoted Investments		**46,46.18**		49,32.75
Aggregate amount of Impairment in value of Investments		**–**		–

*figures below rounding off limit

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

9.1 (a) The Company holds 19796000 equity shares (previous year 19796000 equity shares) of Rs. 10 each in ESL Steel Limited ('ESL') out of which 17334999 equity shares (previous year 17334999 equity share) of Rs. 10 each amounting to Rs. 40,59.85 lakhs were pledged with the consortium of lenders of ESL ('lenders'). The notices issued by the lenders for invocation of pledge of company's investment was set aside by the Hon'ble High Court at Calcutta in earlier year and the company's plea for release of such pledge is pending before the said High Court.

(b) Further in the earlier years, certain land amounting to Rs. 2,94,93.58 lakhs of the company, situated at Elavur, Tamil Nadu, were mortgaged to an another lender of ESL viz SREI Infrastructure Finance Limited ('SREI') and SREI had subsequently assigned it's right against the said Land to an Asset Reconstruction Company ('ARC') although the claims of the said lender were fully discharged by ESL as per the Resolution Plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata. Subsequently, the ARC had issued SARAFESI Notice and taken the symbolic possession of the said land. The Company had disputed the alleged assignment of the loan by the lender and as directed by the Hon'ble Supreme Court had filed an application before the Debt Recovery Tribunal ('DRT'), Chennai for setting aside the SARAFESI actions and release of the title deeds of the land which vide order dated April 08, 2022 (uploaded on April 27, 2022) had been dismissed by DRT. On filing the appeal before the Debt Recovery Appellate Tribunal ('DRAT') against the order of DRT, DRAT has directed the Company to deposit 50% of the SARAFESI demand i.e. Rs. 2,93,55.04 lakhs against which revision application under Article 227 of the Indian Constitution and a Writ Application under Article 226 of Indian Constitution has been filed before Hon'ble Madras High Court and the matter is pending before the said court.

Earlier, the ARC had also filed an application before Hon'ble NCLT, Cuttack for initiation of Corporate Insolvency and Resolution Process ('CIRP') against the Company which had been decided in the favour of the Company vide NCLT order dated June 24, 2022 ('the Order'). The said order on being challenged by ARC has been upheld by Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated January 24, 2024. The Judgement of NCLAT was challenged before Hon'ble Supreme Court of India. Hon'ble Supreme Court vide its Judgement dated January 6, 2026 confirmed that the Company is not a guarantor for financial facilities availed by ESL. Hence, no CIRP Proceedings can be initiated against the Company. However, Hon'ble Supreme Court has also held that the approval and / or implementation of the Resolution Plan of Vedanta Limited for ESL does not result in extinguishment of the entire debt so as to bar any claim against the Third-Party Security Providers. The Company is contemplating legal option of filing a Review Application before Hon'ble Supreme Court of India.

(c) Pending finalization of the matters as per (a) and (b) above, the assets have been carried forward at their book value.

9.2 The Company has made an irrevocable decision to consider investment in equity instruments, other than in Subsidiaries and Joint ventures not held for trading (non current investments) to be recognized at FVTOCI.

10. Loans (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Loan Receivables considered good			
Unsecured Loans	10.1 and 55	**43,48.90**	–
		43,48.90	–

10.1 The above Unsecured Loans bearing interest @ 3.6% p.a. have been given for general corporate purpose.

11. Other Financial Assets (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Fixed Deposit with Banks	11.1	**2,67,65.86**	5,97,07.70
Security Deposits			
- Considered Good	19.1 and 11.3	**16,34.95**	20,27.64
- Considered Doubtful		**3,00.62**	3,00.62
- Less: Impairment Allowances	11.2	**(3,00.62)**	(3,00.62)
Interest Receivable	11.1	**1,48.51**	5,71.56
		2,85,49.32	6,23,06.90

11.1 Fixed Deposits with banks include Rs. 2,67,65.86 lakhs (previous year Rs. 5,97,07.70 lakhs) which have been kept with banks/customer against bank guarantee or as security deposit (refer note 6.1, 25.1 and 30.1) .

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

11.2 Movement of Impairment Allowance (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Balance at the beginning of the year	**3,00.62**	3,00.62
Recognised during the year	**–**	–
Reversal during the year	**–**	–
Balance at the end of the year	**3,00.62**	3,00.62

11.3 Security deposits include Rs.7,50.12 lakhs (previous year Rs. 1,92.62 lakhs) with the related parties (refer note 55).

12. Non-Current Tax Assets (net) (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Non-Current Tax Assets (net)	**15,64.47**	5,61.27
	15,64.47	5,61.27

13. Other Non-Current Assets (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Capital Advances	**2,34.69**	6,47.66
Prepaid expenses	**1,52.85**	79.57
Loans and Advances to Employee	**19.54**	1.63
	4,07.08	7,28.86

14. Inventories (At lower of cost or Net Realisable Value) (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Raw materials	**4,75,94.02**	7,40,70.91
Raw materials in transit	**1,65,73.61**	1,02,05.15
Process stock	**1,68,90.57**	2,24,84.95
Finished goods [including in transit Rs. 43,84.76 lakhs (previous year Rs. 49,82.57 lakhs)]	**3,78,18.91**	3,79,70.64
Stock-in-trade (in respect of goods acquired for trading)	**–**	14.60
Scrap and By Products	**50,57.16**	87,24.57
Stores and spares [net of provision for obsolescence of Rs. 4,04.02 lakhs (previous year Rs. 2,60.81 lakhs)]	**3,60,79.85**	3,43,86.60
Stores and spares in transit	**36.22**	5,29.59
	16,00,50.34	18,83,87.01

14.1. Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

15. Current Investments

(Fully paid up except otherwise stated) (Rs. in lakhs)

Particulars	Face Value (Rs.)	As at March 31, 2026 Holding (Nos.)	As at March 31, 2026 Amount	As at March 31, 2025 Holding (Nos.)	As at March 31, 2025 Amount
At Fair Value through Profit and Loss					
A. Bonds (Quoted)					
Bank of Baroda SR XIII 8.50 BD Perpetual	1000000	–	–	50	5,00.08
State Bank of India Series I 7.74 BD Perpetual	1000000	–	–	54	5,38.12
			–		10,38.20
B. Debentures (Quoted)					
Alpha Alternatives Financial Services Private Limited EQAR SR MLD F BR Non-Convertible Debentures ('NCD')	100000	**4238**	**69,13.81**	4238	62,70.90
Alpha Alternatives Financial Services Private Limited SR CAR MLD C BR NCD	100000	**418**	**6,73.61**	418	5,84.94
Alpha Alternatives Financial Services Private Limited EQAR SR MLD H BR NCD	100000	**424**	**6,44.89**	424	5,86.82
Alpha Alternatives Financial Services Private Limited SR MLD CAR-K BR NCD	100000	**8475**	**1,00,08.41**	–	–
Alpha Alternatives Financial Services Private Limited EQAR SR MLD O BR NCD	100000	**2025**	**24,78.31**	–	–
Alpha Alternatives Financial Services Private Limited EQAR SR MLD T BR NCD	100000	**6356**	**75,09.93**	–	–
			2,82,28.96		74,42.66
(Unquoted)					
Alpha Alternatives Holdings Private Limited SR A 15% Unlisted, Redeemable, Transferable NCD	10000000	**150**	**1,50,00.00**	–	–
			1,50,00.00	–	–
			4,32,28.96		74,42.66
C. Mutual Funds (Unquoted)					
ICICI Prudential Overnight Fund - Growth	1000	**97083**	**14,00.47**	–	–
Kotak Overnight Fund - Growth - Regular Plan	1000	**98096**	**14,00.47**	–	–
Total			**28,00.94**		–
D. Alternative Investments Funds (AIF) (In Limited Liability Partnership (LLP), Unquoted)					
Alpha Alternatives MSAR LLP A1	100	**999950**	**10,51.44**	999950	11,07.17
Alpha Alternatives MSAR LLP AAMSAR A1	100	**5999700**	**60,49.13**	–	–
			71,00.57		11,07.17
Total - Current Investments			**5,31,30.47**		95,88.03
Aggregate amount of Quoted Investments and market value thereof					
– In Bonds at Yield to Maturity			–		10,38.20
– In Debentures at underlying asset value			**2,82,28.96**		74,42.66
			2,82,28.96		84,80.86
Aggregate amount of Unquoted Investments					
– In Debentures			**1,50,00.00**		–
– In Mutual funds at Net Asset Value			**28,00.94**		–
– In AIF			**71,00.57**		11,07.17
			2,49,01.51		11,07.17

15.1 The Company has invested in Debentures and AIF whereby an option has been granted to redeem/ liquidate these investments after the expiry of specified period. These investment being made pursuant to the deployment of the surplus fund of the company which may be liquidated as and when funds are required for business and other purposes and have therefore been considered as Current Investments and fair valued through profit and loss.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

16. Trade Receivables (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Unsecured			
Trade Receivables considered good		**12,24,25.11**	17,13,72.66
Less: Credit loss allowances on Trade Receivable	16.2	**(1,31.69)**	(1,30.72)
		12,22,93.42	17,12,41.94

16.1 **Ageing of Trade Receivables**

As at March 31, 2026 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payments						
	Not yet due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade Receivable							
(i) Considered Good	**9,98,71.46**	**1,77,40.53**	**12,68.35**	**33,69.36**	**25.47**	**29.74**	**12,23,04.91**
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Disputed Trade Receivable							
(i) Considered Good	–	–	–	**24.62**	–	**95.58**	**1,20.20**
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Total	**9,98,71.46**	**1,77,40.53**	**12,68.35**	**33,93.98**	**25.47**	**1,25.32**	**12,24,25.11**
Less: Credit loss allowances on Trade Receivable	–	–	–	–	6.37	1,25.32	1,31.69
Total	**9,98,71.46**	**1,77,40.53**	**12,68.35**	**33,93.98**	**19.10**	**–**	**12,22,93.42**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payments						
	Not yet due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 Years	Total
Undisputed Trade Receivable							
(i) Considered Good	14,06,93.46	2,60,92.91	44,05.64	44.24	7.06	33.37	17,12,76.68
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Disputed Trade Receivable							
(i) Considered Good	–	–	0.40	–	–	95.58	95.98
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Total	14,06,93.46	2,60,92.91	44,06.04	44.24	7.06	1,28.95	17,13,72.66
Less: Credit loss allowances on Trade Receivable	–	–	–	–	1.77	1,28.95	1,30.72
Total	14,06,93.46	2,60,92.91	44,06.04	44.24	5.29	–	17,12,41.94

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

16.2 Movement of Credit loss allowances on Trade Receivable (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	**1,30.72**	1,10.91
Recognised during the year	**0.97**	19.81
Reversal during the year	**–**	–
Balance at the end of the year	**1,31.69**	1,30.72

16.3 Balances of Trade Receivables including retention money are subject to confirmation/reconciliation and adjustments in this respect are carried out as and when amounts thereof, if any are ascertained.

16.4 There are no unbilled receivable as on March 31, 2026 and March 31, 2025.

16.5 There are no debts due by the directors or other officer of the Company or any of them severally or jointly with any other person or by the firm or private companies respectively in which any director is a partner or a director or a member.

16.6 Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

16.7 Refer note 55 for balances in respect of transactions with related parties.

17. Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current and cash credit accounts	**50,76.59**	1,09,38.75
In Fixed Deposits (having original maturity of less than 3 months)	**1,18,00.00**	–
Cash on hand	**12.46**	66.29
	1,68,89.05	1,10,05.04

17.1 Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

18. Bank Balances Other than Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Balance with banks			
In Fixed Deposit Escrow account	26.1	**5,36.93**	5,36.93
In dividend accounts		**1,59.46**	1,55.85
Others	18.2	**0.62**	–
In Fixed deposits (having original maturity of less than 3 months)	18.1	**9,36.06**	10,80.71
In Fixed deposits (having original maturity of more than 3 months and less than 12 months)	18.1	**21,95.33**	20,54.27
		38,28.40	38,27.76

18.1 Fixed Deposits with banks include fixed deposit of Rs. 31,03.99 lakhs (previous year Rs. 31,07.79 lakhs) which have been kept with banks against facilities availed by the company (refer note 30.1). Further fixed deposits include Rs. 10.69 lakhs (previous year Rs. 27.19 lakhs) lying with customer against deposit for supplies of materials and Rs. 16.71 lakhs (previous year nil) against Employees Sadhan Scheme.

18.2 Represents earmarked balance pursuant to Employee Sadhan Scheme to be utilised as per the scheme.

18.3 Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

19. Other Financial Assets (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Security Deposits			
- Considered Good	19.1	**8,00.99**	12,88.04
- Considered Doubtful		**1,69.52**	1,69.52
- Less: Impairment Allowances	19.3	**(1,69.52)**	(1,69.52)
Interest receivable		**2,22.18**	5,70.19
Claim receivable against coal block	50	**93,16.85**	93,16.85
Excise Duty Claim Receivable	19.2 and 50	**13,05.87**	13,05.87
Export incentive receivable		**10,51.71**	8,87.32
Incentive/Subsidy/Cess receivable	19.4	**57,18.77**	60,63.18
Insurance claim, Export rebate claim and other receivable		**11,99.01**	29.73
		1,96,15.38	1,94,61.18

19.1 Security Deposit includes Rs. 15.30 lakhs (previous year Rs. 5,85.51 lakhs) with related parties (refer note 55) and Rs. 3,69.11 lakhs (previous year Rs. 5,05.42 lakhs) (including Rs. 36.27 lakhs (previous year Rs. 6.12 lakhs) shown under non current) lying with customer in terms of agreement/ order towards supplies of goods

19.2 Excise Duty claim receivable represent the refund claimed in respect of unutilised amount lying in respect of coal mine has been rejected and an appeal has been filed before the appellate authority and the management is confident of recovery of the same.

19.3 Movement of Impairment Allowances (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Balance at the beginning of the year	**1,69.52**	1,69.52
Recognised during the year	**–**	–
Reversal during the year	**–**	–
Balance at the end of the year	**1,69.52**	1,69.52

19.4 (a) During the year, the State Government of West Bengal ('State Government') has notified the enactment of the Revocation of West Bengal Incentive Schemes and Obligations in the nature of Grants and Incentive Act, 2025 ('the Revocation Act') rescinding, revoking and discontinuing all West Bengal Incentive Schemes including West Bengal Incentive Scheme, 2000 ('WBIS 2000') ('the Scheme') retrospectively from the date of implementation of the respective scheme.

The company is entitled to receive incentive in the form of Industrial Promotion Assistance under WBIS 2000 for the period starting from April 01, 2004 till March 31, 2019 in respect of company's manufacturing units at Khardah and Haldia and the same as required in terms of WBIS 2000 have been granted to the company. Accordingly, the benefits under the said scheme has accrued and vested to the company before the enactment of the Revocation Act and Rs. 46,80.58 lakhs out of the amount accrued in this respect till June 30, 2017 (pending determination of the amount pertaining to GST Regime for the remaining period till March 31, 2019) is outstanding as on March 31, 2026. The Hon'ble High Court of Calcutta on a petition filed by the company for the claim upto March 31, 2015 vide it's order dated April 08, 2024 had directed the State Government to pay the amount remaining unpaid under the Scheme and pending receipt of the claim despite the direction of the Hon'ble High Court, the company has filed contempt petition before the said court on August 23, 2024. An another petition claiming the incentive for the remaining period upto June 30, 2017 had also been filed before the said court. During the year, the company based on the legal advice has filed a writ petition before the Hon'ble Calcutta High Court challenging the constitutional validity and retrospective applicability of the Revocation Act. The decisions with respect to these petitions are pending adjudication as on this date. Accordingly, the amount of claim accrued in earlier years and outstanding as above being considered good and recoverable has been so carried forward as on March 31, 2026.

(b) Includes Rs.10,38.19 lakhs (previous year Rs. 12,02.49 lakhs) in respect of sales tax subsidy receivable under Andhra Pradesh Industrial Investment Promotion Policy.

19.5 Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

20. Other Current Assets (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Advances for supply of goods and rendering of services			
– Considered Good		**79,86.03**	1,03,71.54
– Considered Doubtful	20.1	**96.56**	44.54
– Less: Impairment Allowances		**(96.56)**	(44.54)
Loans and advances to employees		**65.73**	65.30
Balance with Government authorities	20.2	**16,37.74**	26,44.01
Prepaid expenses		**4,54.70**	8,19.44
		1,01,44.20	1,39,00.29

20.1 Movement of Impairment Allowances against doubtful advances (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	**44.54**	53.77
Recognised during the year	**52.02**	–
Reversal during the year	**–**	(9.23)
Balance at the end of the year	**96.56**	44.54

20.2 Balance with Government authorities include Rs. 47.19 lakhs (previous year Rs. 2,63.29 lakhs) kept as pre deposit against various demands disputed by the company and pending in appeal before various appellate authorities as detailed in note 54(i).

20.3.` Refer note 30.1 to Financial Statements in respect of charge created against borrowings.

21. Equity Share Capital (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
Equity shares, Re. 1/- par value		
1030200000 (previous year 1030200000) equity shares	**1,03,02.00**	1,03,02.00
Issued, Subscribed and Paid-up		
Equity shares, Re. 1/- par value		
618184591 (previous year 618184591) equity shares fully paid up	**61,81.84**	61,81.84
	61,81.84	61,81.84

21.1 The Company has only one class of shares referred to as equity shares having a par value of Re. 1/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

21.2 Reconciliation of the number of equity shares outstanding (No. of shares)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Number of shares at the beginning		**618184591**	618184591
Add: Changes during the year		**–**	–
Number of shares at the end		**618184591**	618184591

21.3 Shareholders holding more than 5% equity shares (No. of Shares)

Name of shareholders	As at March 31, 2026	As at March 31, 2025
G. K. & Sons Private Limited	**50656655**	50656655
Electrocast Sales India Limited	**41135158**	41135158
Murari Investment & Trading Company Limited	**39459399**	39459399
Belgrave Investment Fund	**36060361**	35672368
Asha Kejriwal/Mayank Kejriwal -Trustee of Sreeji Family Benefit Trust	**35027053**	35027053

21.4 Shareholdings of the Promoters

For the year ended March 31, 2026

Sl. No.	Name of the Promoter	Shareholding as at March 31, 2026		Shareholding as at March 31, 2025		% Changes during the year
		No of Shares	% of Shares held	No of Shares	% of Shares held	
1	Mayank Kejriwal	10096061	1.63	10096061	1.63	–
2	Uddhav Kejriwal	3762724	0.61	3762724	0.61	–

For the year ended March 31, 2025

Sl. No.	Name of the Promoter	Shareholding as at March 31, 2025		Shareholding as at March 31, 2024		% Changes during the year
		No of Shares	% of Shares held	No of Shares	% of Shares held	
1	Mayank Kejriwal	10096061	1.63	10096061	1.63	–
2	Uddhav Kejriwal*	3762724	0.61	3757724	0.61	–

* % change during the year, below rounding of limit.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

22. Other Equity (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Capital Reserve	22.1		
As per last Balance Sheet		**41,48.28**	41,48.28
Capital Reserve on Amalgamation	22.2		
As per last Balance Sheet		**(4,40,25.80)**	(4,40,25.80)
Securities Premium	22.3		
As per last Balance Sheet		**11,75,35.28**	11,75,35.28
General Reserve	22.4		
As per last Balance Sheet		**14,85,07.51**	14,85,07.51
Retained Earnings	22.5		
As per last Balance Sheet		**32,89,29.51**	26,33,46.83
Profit after tax as per Statement of Profit and Loss		**1,31,33.97**	7,12,12.32
Transferred from Other Comprehensive Income		**4,31.91**	(65.98)
Dividend on Equity shares (2024-25-Rs.1.40 (2023-24-Re.0.90)) per Equity Share		**(86,54.58)**	(55,63.66)
		33,38,40.81	32,89,29.51
Other Comprehensive Income	22.6		
Equity instrument through other comprehensive income			
As per last Balance Sheet		**24,40.43**	34,95.58
Other Comprehensive Income for the year (net of tax)		**(2,86.64)**	(10,32.60)
Transferred to Retained Earnings	22.8	**–**	(22.55)
		21,53.79	24,40.43
Re-measurement of defined benefit plans			
As per last Balance Sheet		**–**	–
Other Comprehensive Income for the year (net of tax)		**4,31.91**	(88.53)
Transferred to Retained Earnings		**(4,31.91)**	88.53
		–	–
		56,21,59.88	55,75,35.21

22.1 **Capital Reserve**

The reserve was created on account of forfeiture of warrants convertible into equity shares.

22.2 **Capital Reserve on Amalgamation**

Capital Reserve on Amalgamation represent the excess of consideration paid i.e. equity shares issued with respect to net assets and reserves acquired consequent to amalgamation of erstwhile Mahadev Vyapaar Private Limited and Srikalahasthi Pipes Limited amounting to (Rs. 14,86.46 lakhs) and (Rs. 4,25,39.34 lakhs) respectively.

22.3 **Securities Premium**

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

22.4 **General Reserve**

General Reserve is a free reserve which is created by transfer of profit from retained earnings. As the Reserve is created by a transfer from one component to another, it is not an item of OCI. Item included in General Reserve is not reclassified subsequently to Statement of Profit and Loss.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

22.5 **Retained Earnings**

Retained earnings generally represents the accumulated undistributed surplus earnings of the company. This includes Rs. 12,66,77.32 lakhs (previous year Rs. 12,66,79.28 lakhs) represented by changes in carrying amount of Property, Plant and Equipments being measured at fair value as on the date of transition as deemed cost. Further unrealised loss of Rs. 9,84,10.67 lakhs (previous year Rs. 9,84,10.67 lakhs) due to changes in carrying amount of investment has also been adjusted to the retained earning. Thereby Rs. 2,82,66.65 lakhs (previous year Rs. 2,82,68.61 lakhs) being represented by changes in carrying value of assets in terms of provisions of Companies Act 2013 is not available for distribution. This also includes other comprehensive income of Rs. 1,88.72 lakhs (previous year (Rs. 2,43.19 lakhs)) relating to remeasurement of defined benefit plans (net of tax) which cannot be reclassified to statement of profit and loss.

22.6 **Other Comprehensive Income**

Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:

i) Items that will not be reclassified to Profit and Loss

a. The company has elected to recognise changes in the fair value of non-current investments in equity (other than in subsidiaries and joint ventures) in OCI. This reserve represents the cumulative gains and losses arising on equity instruments being measured at fair value. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.

b. This also includes actuarial gains and losses arising on defined benefit obligations recognised in OCI which is transferred to retained earning as stated in note 22.5

22.7 Subsequent to the Balance Sheet date, the Board of Directors at its meeting held on May 18, 2026 has recommended a final dividend of Re. 0.90 per equity share to be paid on fully paid up equity shares in respect of financial year ended March 31, 2026. The equity dividend is subject to approval by the shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statement. The estimated amount of final dividend to be paid thereof amounts to Rs. 55,63.66 lakhs.

22.8 The Company had acquired 99.11% of the equity shares of Singardo International Pte Limited ("Singardo") at a consideration of SGD 64,42,450 and remitted the entire consideration equivalent to Rs 41,48.97 lakhs on October 7, 2024. The company earlier held 0.89% of equity shares in Singardo and on transfer of the equity shares acquired as above in favour of the company, Singardo with effect from October 22, 2024 i.e. the date of transfer became a wholly owned subsidiary of the company. On Singardo, becoming the wholly owned subsidiary, the company in accordance with the policy being followed designated it to be measured at cost. Accordingly, the amount lying in the Other Comprehensive Income (net of tax) amounting to Rs. 22.55 lakhs had been transferred to retained earning during the year ended March 31, 2025.

23. Borrowings (Rs. in lakhs)

Particulars	Ref. note no.	**As at March 31, 2026**		As at March 31, 2025	
		Non Current	**Current**	Non Current	Current
SECURED BORROWINGS					
Term loan					
– From banks	23.1 to 23.4	**1,98,64.76**	**1,53,27.75**	1,91,18.40	2,08,13.98
		1,98,64.76	**1,53,27.75**	1,91,18.40	2,08,13.98

23.1.1 Rupee Term Loan of Rs. 1,50,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi Unit and Freehold Land at Haldia. The said loan has been fully repaid during the year.

23.1.2 Rupee Term Loan of Rs. 50,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The said loan has been fully repaid during the year.

23.1.3 Rupee Term Loan of Rs. 60,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 5,98.58 lakhs (previous year Rs. 23,73.90 lakhs) and is repayable in 7 structured monthly installments starting from April 2026.

23.1.4 Rupee Term Loan of Rs. 3,00,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 1,03,85.00 lakhs (previous year Rs. 1,89,04.00 lakhs) and is repayable in 8 structured quarterly installments starting from June 2026.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

23.1.5 Rupee Term Loan of Rs. 1,12,50.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi unit, Freehold Land at Haldia, Rajgangpur and Kakinara. The outstanding as on March 31, 2026 is Rs. 1,09,68.75 lakhs (previous year nil) and is repayable in 19 structured quarterly installments starting from April 2026.

23.1.6 Rupee Term Loan of Rs. 75,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 3,78.67 lakhs (previous year Rs. 18,79.88 lakhs) and is repayable in June 2026.

23.1.7 Rupee Term Loan of Rs. 45,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment, both present and future, of the Company located at Srikalahasthi unit. The said loan has been fully repaid during the year.

23.1.8 Rupee Term Loan of Rs. 2,00,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs.59,23.70 lakhs (previous year Rs. 98,88.73 lakhs) and is repayable in 24 structured monthly installments starting from April 2026.

23.1.9 Rupee Term Loan of Rs. 55,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Company located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs. 55,00.00 lakhs (previous year nil) and is repayable in 18 equal quarterly installments starting from June 2026.

23.1.10 Rupee Term Loan of Rs. 1,20,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment, both present and future, of the Company located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs. 14,37.81 lakhs (previous year Rs. 19,17.07 lakhs) and is repayable in 12 equal quarterly installments starting from June 2026.

23.2 The interest rate for the above loans ranges from 6.50% to 7.95%. p.a.

23.3 The outstanding balances disclosed in note 23.1 are based on the amortised cost in accordance with Ind AS 109 "Financial Instruments".

23.4 There are no registration/satisfaction of charges pending with Registrar of Companies beyond the statutory period as on the Balance Sheet date.

24. Lease Liabilities

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Non-Current	7 , 24.1 and 44.3	**11,81.18**	19,54.93
Current	7 , 24.1 and 44.3	**3,15.17**	8,01.61
		14,96.35	27,56.54

24.1 Lease liability represents present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

25. Other Financial Liabilities

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Receipt against claim under WIS and Railway siding	6.1 and 25.1	**5,59,29.29**	5,59,29.29
Security Deposit		**42.00**	11.00
		5,59,71.29	5,59,40.29

25.1 The company started construction of a private siding at Durgachak near Haldia in 2007 which was completed in 2009. However, the commissioning of the siding was withheld by the Railways thereby jeopardising company's investment of Rs. 40,96.00 lakhs in the project. South Eastern Railways ('SER') had withdrawn all permissions against the siding and raised demand of Rs. 3,25.00 lakhs towards Land Licensing Fees and liquidated damages for the period from 2012-13 till April 28, 2017 and being aggrieved by said decision of SER, the company had filed an application before the Hon'ble Calcutta High Court for appointment of a Sole Arbitrator and by order dated July 01, 2019, the court appointed Sole Arbitrator in the matter.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

The company had submitted its final claim before the Tribunal for refund of costs incurred for the siding and excess Land Licensing fees paid by it, alongwith compensation for loss of business etc. and interest till realization of the dues. The arbitration award allowing the claim of Rs. 2,28,00.02 lakhs was granted on January 03, 2024 in favour of the company including the amendment thereto made by supplementary award dated February 16, 2024. The company thereafter had filed an application for execution of award before the single bench of Hon'ble Calcutta High Court wherein the Court had directed SER to deposit Rs. 2,48,96.87 lakhs (inclusive of further interest @18% p.a. for the period from January 05, 2024 to July 09, 2024) with the Court's Registrar. The said amount had been deposited by SER alongwith two applications for setting aside of the arbitral award and for stay of operation of the arbitral award before the single bench of Hon'ble Calcutta High Court, which is pending for adjudication as on this date. Pending this, the company on submission of the Bank Guarantee had withdrawn Rs. 2,48,96.87 lakhs which had been deposited in fixed deposit with bank (refer note 11.1) and an equivalent amount towards liability, if any arising on account of the guarantee issued has been recognised in these financial statements. Adjustment with respect to amount of claim (refer note 54(ii)(c)) will be given effect to on determination thereof upon final decision on the matter.

26. Provisions (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits	49	**59,70.23**	39,85.15
Provision for mine closure and restoration charges	26.1	**5,59.98**	5,59.98
		65,30.21	45,45.13

26.1 Provision for Mines closure and restoration charges had been made in terms of statutory obligations specified for the purpose and Rs. 4,40.00 lakhs deposited and interest accrued in earlier years amounting to Rs. 96.93 lakhs were disclosed in the Escrow account in terms of the stipulation made by Ministry of Coal, for Mines Closure Plan. In view of cancellation of allotment of coal mines (refer note 50), no further provision in this respect and accrual of interest thereagainst on fixed deposit lying in Escrow account (amount cumulative of interest as on March 31, 2026 Rs. 9,35.09 lakhs) has been considered necessary (refer note 18 and 50).

26.2 Movement in Mine closure and Restoration Obligation provision:

Particulars	(Rs. in lakhs)
As at April 01, 2024	5,59.98
Provision during the year	–
As at March 31, 2025	5,59.98
Provision during the year	–
As at March 31, 2026	**5,59.98**

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current	**–**	–
Non current	**5,59.98**	5,59.98

27. Deferred Tax Liabilities (Net)

The following is the analysis of deferred tax (assets)/liabilities presented in the Balance Sheet: (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax Assets	**(25,08.09)**	(38,83.95)
Deferred tax Liabilities	**3,17,35.86**	3,07,84.97
(Deferred Tax (Assets)/Liabilities (Net	**2,92,27.77**	2,69,01.02

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

27.1 Components of Deferred tax (Assets)/ Liabilities

As at March 31, 2026 (Rs. in lakhs)

Particulars	As at April 1, 2025	Charge/ (Credit) recognised in Profit or Loss	Charge/ (Credit) recognised in Other Comprehensive Income	As at March 31, 2026
Deferred Tax Assets:				
Fair valuation of Financial Assets, Impairment Allowance, Capital Subsidy etc.	(2,57.98)	(17.32)	–	**(2,75.30)**
Merger expenses allowable u/s 35DD of the Income Tax Act,1961	–	–	–	**–**
Provision for Other Items u/s 43B of Income Tax Act, 1961	(26,80.77)	25,86.68	–	**(94.09)**
Provision for Employee benefits u/s 43B of Income Tax Act, 1961	(8,74.39)	(11,61.73)	–	**(20,36.12)**
Derivative instruments designated at fair value through Profit and Loss	–	(77.22)	–	**(77.22)**
Unabsorbed Long Term Capital Loss under Income Tax Act, 1961	(25.38)	0.02	–	**(25.36)**
Remeasurement of defined benefit obligations through OCI	(45.43)	–	45.43	**–**
Total Deferred Tax Assets	(38,83.95)	13,30.43	45.43	**(25,08.09)**
Deferred Tax Liabilities:				
Fair valuation of Financial Liabilities	37.35	(8.08)	–	**29.27**
Fair valuation of Current Investments	4,02.20	2,19.71	–	**6,21.91**
Derivative instruments designated at fair value through Profit and Loss	21.94	(21.94)	–	**–**
Temporary difference with respect to Property, Plant & Equipment, Intangibles & ROU Assets	3,03,16.16	6,61.29	–	**3,09,77.45**
Remeasurement of defined benefit obligations through OCI	–	–	99.84	**99.84**
Investments designated at fair value through OCI	7.32	–	0.07	**7.39**
Total Deferred Tax Liabilities	3,07,84.97	8,50.98	99.91	**3,17,35.86**
DEFERRED TAX (ASSETS)/ LIABILITIES (NET)	2,69,01.02	21,81.41	1,45.34	**2,92,27.77**

As at March 31, 2025 (Rs. in lakhs)

Particulars	As at April 1, 2024	Charge/ (Credit) recognised in Profit or Loss	Charge/ (Credit) recognised in Other Comprehensive Income	As at March 31, 2025
Deferred Tax Assets:				
Fair valuation of Financial Assets, Impairment Allowance, Capital Subsidy etc.	(2,66.72)	8.74	–	(2,57.98)
Merger expenses allowable u/s 35DD of the Income Tax Act,1961	(60.95)	60.95	–	–
Provision for Other Items u/s 43B of Income Tax Act, 1961	(27,13.12)	32.35	–	(26,80.77)
Provision for Employee benefits u/s 43B of Income Tax Act, 1961	(8,46.34)	(28.05)	–	(8,74.39)
Unabsorbed Long Term Capital Loss under Income Tax Act, 1961	(1,34.49)	1,09.11	–	(25.38)
Remeasurement of defined benefit obligations through OCI	(15.65)	–	(29.78)	(45.43)
Total Deferred Tax Assets	(40,37.27)	1,83.10	(29.78)	(38,83.95)
Deferred Tax Liabilities:				
Fair valuation of Financial Liabilities	48.28	(10.93)	–	37.35
Fair valuation of Current Investments	1,85.10	2,17.10	–	4,02.20
Derivative instruments designated at fair value through Profit and Loss	13.42	8.52	–	21.94
Temporary difference with respect to Property, Plant & Equipment, Intangibles & ROU Assets (refer note 46.2)	3,81,17.47	(78,01.31)	–	3,03,16.16
Investments designated at fair value through OCI	6.42	–	0.90	7.32
Total Deferred Tax Liabilities	3,83,70.69	(75,86.62)	0.90	3,07,84.97
DEFERRED TAX (ASSETS)/ LIABILITIES (NET)	3,43,33.42	(7,403.52)	(28.88)	2,69,01.02

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

27.2 The expiry date for long term capital loss recognised as deferred tax assets are as follows: (Rs. in lakhs)

Particulars	Year of Expiry Tax Year	As at March 31, 2026
Long Term Capital Loss	2027-28	85.00
Long Term Capital Loss	2031-32	92.39

27.3 The expiry date for long term capital loss unrecognised are as follows: (Rs. in lakhs)

Particulars	Year of Expiry Tax Year	As at March 31, 2026
Long Term Capital Loss	2029-30	2,19,37.94
Long Term Capital Loss	2031-32	22,34.86

28. Other Non-Current Liabilities (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Deferred Income	28.1	**2,43.62**	2,69.23
Others	28.2	**1,11.92**	1,04.84
		3,55.54	3,74.07

28.1 Deferred Income comprises of Government Grants/Assistance in form of: (Rs. in lakhs)

Particulars	Opening as on April 01, 2025 (including Current portion)	Recognised during the year	Transferred to Statement of Profit and Loss	Closing as on March 31, 2026 (including Current portion
a) Financial Assistance under Industrial Infrastructure Development Fund (IIDF) towards Capital expenditure incurred for manufacturing DI Pipes as specified in Industrial Investment Promotion Policy 2005-2010 and 2010-2015.	2,94.87	–	25.64	**2,69.23**
b) Duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of Property, Plant and Equipment accounted for as Government grants. Income from such grant is estimated and accounted for on the basis of fulfilment of related export obligations.	8,91.76	–	–	**8,91.76**

28.2 Represents the amount lying against Own Your Car scheme (OYC).

29. Non Current Tax Liabilities (Net) (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Non Current Tax Liabilities (net of advance tax)	29.1	**20,72.67**	19,69.79
		20,72.67	19,69.79

29.1 Includes Rs. 9,92.53 lakhs (net) (previous year Rs. 9,92.53 lakhs (net)) being interest received in earlier years in respect of the refund granted pertaining to Assessment Years 2008-09 to 2015-16, pending decision by Hon'ble High Court at Calcutta pursuant to the appeal filed by the Income Tax Department against the favourable orders of the Income Tax Appellate Tribunal, Kolkata.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

30. Borrowings (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long Term Debt-Secured	23	**1,53,27.75**	2,08,13.98
SECURED			
Repayable on demand from banks	30.1		
– Bill discounted with banks		**23,62.72**	27,24.76
– Indian Currency		**3,08,00.00**	4,15,60.40
– Foreign Currency		**4,74.15**	33,97.12
– Purchase Bill Discounting		**36,69.15**	–
– Suppliers/Buyer's Credit		**2,90,99.57**	3,18,05.76
		6,64,05.59	7,94,88.04
UNSECURED			
Repayable on demand from banks			
– Bill discounted with banks		**1,86,11.86**	4,36,52.35
– Indian Currency		**–**	95,00.00
– Suppliers/Buyer's Credit		**–**	64,80.12
		1,86,11.86	5,96,32.47
From Body Corporates		**–**	10,00.00
		1,86,11.86	6,06,32.47
		10,03,45.20	16,09,34.49

30.1 Working Capital facilities from Banks (both fund and non fund based) are secured by first pari passu charge by way of hypothecation of current assets namely raw materials, finished goods, work in progress, consumable stores and spares, book debts/receivables and all other moveable assets of the company both present and future.

30.2 There are no registration/satisfaction of charges pending with Registrar of Companies beyond the statutory period as on the Balance Sheet date.

30.3 The quarterly returns or statement of current assets filed by the Company with banks or financial institutions are in agreement with the unaudited books of accounts. The return or statement, for quarter ended March 26 are yet to be filed.

31. Trade Payables (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Payable for Goods and Services			
Dues of micro and small enterprises	31.2	**16,00.83**	16,04.00
Dues other than micro and small enterprises	31.3	**4,09,39.81**	4,48,60.54
		4,25,40.64	4,64,64.54

31.1 **Ageing of Trade Payables**

As at March 31, 2026 (Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) MSME	**16,00.83**	**–**	**–**	**–**	**–**	**16,00.83**
(ii) Others	**1,47,48.03**	**2,21,15.69**	**19,02.97**	**18,03.49**	**3,69.63**	**4,09,39.81**
(iii) Disputed due - MSMEs	**–**	**–**	**–**	**–**	**–**	**–**
(iv) Disputed due - Others	**–**	**–**	**–**	**–**	**–**	**–**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) MSME	10,97.91	5,06.09	–	–	–	16,04.00
(ii) Others	2,11,56.58	1,83,69.39	19,38.72	6,78.32	26,74.08	4,48,17.09
(iii) Disputed due - MSMEs	–	–	–	–	–	–
(iv) Disputed due - Others	–	–	–	–	43.45	43.45

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

31.2 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information received by the company from the suppliers regarding the status under the Act.

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Principal and Interest amount remaining unpaid but not due as at year end	**17,54.48**	16,04.00
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	**Nil**	Nil
c) 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 Micro, Small and Medium Enterprises Development Act, 2006	**Nil**	Nil
d) Interest accrued and remaining unpaid as at year end	**Nil**	Nil
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	**Nil**	Nil

31.2.1 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

31.3 Including acceptances of Rs. 22,60.99 lakhs (previous year Rs. 15,54.76 lakhs) against non fund based facilities secured as stated in note 30.1.

31.4 There are no unbilled dues as on March 31, 2026 and March 31, 2025.

32. Other Financial Liabilities

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	23 and 30	**3,82.08**	4,95.77
Unclaimed dividends	32.1	**1,59.46**	1,55.85
Derivatives at fair value through profit and loss	48(d)	**17,21.28**	5,43.08
Other Payables			
Employees		**35,18.09**	35,29.29
Receipt against Claim for Coal Mine	50	**98,37.87**	-
Capital vendors		**18,52.96**	23,54.25
Others- NPS, LIC, Superannuation etc.		**2,88.52**	2,69.71
		1,77,60.26	73,47.95

32.1 There are no amount due and outstanding to be credited to Investor Education and Protection Fund at the Balance Sheet date.

33. Other Current Liabilities

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Contract Liability	55	**1,13,73.01**	81,43.36
Statutory Payables		**32,71.24**	1,37,35.46
Deferred Income	28.1	**9,17.37**	9,17.40
Others- ED on Power, OYC etc.	33.1	**3,30.04**	3,18.47
		1,58,91.66	2,31,14.69

33.1 Other includes Electricity Duty (ED) on Power Rs. 2,64.07 lakhs (previous year Rs. 2,64.07 lakhs).

34. Provisions

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits	49	**20,45.75**	16,27.14
Other Provisions	34.1 and 34.2	**9,11.75**	8,30.95
		29,57.50	24,58.09

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

34.1 Other provisions includes:

(a) Provisions amounting to nil (previous year Rs. 2,37.00 lakhs) created against estimated amount of liability on account of rejected stock lying with customer, pending receipt of such stock as on balance sheet date.

(b) Estimated differential electricity duty amounting to Rs. 5,93.95 lakhs (previous year Rs. 5,93.95 lakhs) on account of the rate charged for Electricity Duty being lower than that prescribed, pending for decision by Hon'ble Supreme Court of India.

(c) Estimated amount of quantity discount of Rs. 3,17.80 lakhs (previous year nil) to be paid to a customer as per the Memorandum of Undertaking entered into in earlier years pending determination as on this date.

34.2 Movement in other provisions:

Particulars	(Rs. in lakhs)
As at April 01, 2024	–
Provision during the year	8,30.95
Reversal during the year	–
As at March 31, 2025	8,30.95
Provision during the year	3,17.80
Reversal during the year	2,37.00
As at March 31, 2026	**9,11.75**

35. Current tax liabilities (Net) (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Current tax Liabilities (Net)	–	3,87.20
	–	3,87.20

36. Revenue from Operations (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Sale of products	**50,03,15.73**	67,18,84.44
Other operating revenues		
Incentive / Subsidy	**23,57.19**	23,58.27
Others	**5,80.99**	3,45.57
	50,32,53.91	67,45,88.28

36.1 **Disclosures as per Ind AS 115** (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
(i) Disaggregated Revenue from contract with customers (Transferred at point in time)		
A. Revenue from Sale of products		
Ductile Iron pipes	**32,21,85.94**	53,42,05.78
Ductile Iron fittings	**2,81,91.44**	3,22,15.09
Cast Iron pipes	**2,86,56.44**	3,08,76.22
Ferro Products	**2,46,06.56**	1,81,59.67
Cement	**27.66**	50.93
Others	**9,66,47.69**	5,63,76.75
	50,03,15.73	67,18,84.44
B. Revenue based on territorial seggregation		
Within India	**38,81,74.64**	55,86,15.89
Outside India	**11,21,41.09**	11,32,68.65
	50,03,15.73	67,18,84.54
C. Revenue based on type of customers		
Government	**70,17.57**	5,87,12.54
Non Government	**49,32,98.16**	61,31,71.90
	50,03,15.73	67,18,84.44

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(ii) Reconciliation of revenue from contract with customer:		
Revenue from contracts with customer as per the contract price	**50,07,96.81**	67,23,68.00
Adjustments made to contract price on account of Price Adjustments	**4,81.08**	4,83.56
	50,03,15.73	67,18,84.44

(iii) The amounts receivable from customers become due after the expiry of credit period which on an average is ranging between 90 to 270 days.

(iv) Majority of the Company's sales are against advance or against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component. As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Company has a right to receive the consideration. Accordingly, the Company has availed the practical expedient in terms of Ind AS 115 and disclosures with respect to performance obligations remaining unsatisfied (or partially unsatisfied) at the balance sheet date have not been made.

37. Other Income (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income			
On Current Investments		**81.73**	1,82.16
On loans, deposits, overdue debts etc.		**72,35.95**	53,39.60
On Financial Assets measured at amortised cost		**44.55**	22.34
On Income Tax		**–**	1,71.60
Dividend income			
Non current investments		**–**	8,40.08
Net gain on sale / redemption of Current investments (net)		**6,14.14**	4,55.71
Net gain on fair valuation of Current investments through profit and loss (net)		**8,72.98**	8,65.91
Profit on sale of Property, Plant and Equipment (net)		**10,23.07**	–
Net gain on derecognition of financial assets at amortised cost		**0.65**	4.72
Liability / Provision no longer required written back	37.2	**90,96.30**	1,99.27
Miscellaneous income	37.1	**5,76.26**	13,11.19
		1,95,45.63	93,92.58

37.1 Miscellaneous income includes Deferred Income in respect of Government Grants amounting to Rs. 25.64 lakhs (previous year Rs. 6,72.81 lakhs) as detailed in note 28.1

37.2 During the year, the company under The West Bengal Sales Tax (Settlement of Dispute) Act, 1999 as amended by the West Bengal Sales Tax (Settlement of Dispute) (Amendment) Act, 2025 ('SOD'), has availed the settlement in terms of the SOD in respect of demands of Rs. 27,62.77 lakhs for Entry Tax (excluding interest and late fee) against the company pertaining to the period from April 01, 2012 to June 30, 2017 and Rs. 20,72.38 lakhs has been paid in full and final settlement of these demands. Consequent to this, Rs. 63,62.00 lakhs being the resultant additional amount of provision made in earlier years has been written back and included under Liability/Provision no longer required written back.

38. Cost of materials consumed (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw materials consumed	**27,35,77.65**	36,44,30.45
	27,35,77.65	36,44,30.45

39. Purchases of Stock In Trade (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
DI Pipes and Fittings	**59.55**	3.91
	59.55	3.91

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

40. Changes in inventories of Finished goods, Stock-in-Trade and Process Stock (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock		
Finished goods	**3,79,70.64**	2,79,81.01
Stock-in-trade (in respect of goods acquired for trading)	**14.60**	14.60
Process stock	**2,24,84.95**	1,44,23.30
Scrap and By Products	**87,24.57**	67,58.08
	6,91,94.76	4,91,76.99
Less: Closing Stock		
Finished goods	**3,78,18.91**	3,79,70.64
Stock-in-trade (in respect of goods acquired for trading)	**–**	14.60
Process stock	**1,68,90.57**	2,24,84.95
Scrap and By Products	**50,57.16**	87,24.57
	5,97,66.64	6,91,94.76
	94,28.12	(2,00,17.77)

41. Employee Benefits Expense (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	49	**3,73,05.31**	3,93,72.41
Contribution to provident and other funds	49	**18,86.09**	17,76.98
Staff welfare expenses		**22,19.17**	24,58.22
		4,14,10.57	4,36,07.61

42. Finance Costs (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense		**1,12,66.91**	1,29,99.15
Other borrowing cost	42.1	**6,79.36**	8,53.50
Applicable (gain)/loss on foreign currency transactions and translation		**7,70.13**	10,14.18
Less: Transferred to Capital Work in Progress (CWIP)	42.2	**(44.34)**	(6,85.39)
		1,26,72.06	1,41,81.44

42.1 Other borrowing cost includes Rs. 1,51.45 lakh (previous year Rs. 2,13.07 lakh) towards lease obligation of Right of Use Assets (refer note 44.3).

42.2 Interest @ 7.10% on general funds borrowed for the purpose of obtaining a qualifying assets has been capitalised as provided in terms of Ind AS 23 "Borrowing Costs".

43. Depreciation and Amortisation Expenses (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Tangible and ROU Assets	5 and 7	**1,48,24.05**	1,26,44.21
Amortisation of Intangible Assets	6	**1,15.90**	1,03.07
		1,49,39.95	1,27,47.28

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

44. Other Expenses (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts		**4,08,20.38**	5,19,89.08
Power and fuel		**3,19,54.36**	3,57,23.74
Material Handling Charges		**83,25.59**	89,21.66
Rent	44.3	**9,08.68**	9,26.86
Repairs to buildings		**5,84.95**	10,51.18
Repairs to machinery		**39,44.43**	47,38.31
Insurance		**12,67.46**	12,10.56
Rates and taxes		**8,58.34**	9,17.99
Service Charges		**1,25,04.60**	1,28,94.43
Directors fees and commission	55	**1,05.00**	1,35.40
Freight and forwarding charges / Inspection Charges		**3,00,46.72**	4,26,46.69
Commission to selling agents		**22,28.69**	49,94.74
Loss on sale/discard of Property, Plant and Equipment (net)		**–**	13,39.43
Net loss/(gain) on foreign currency transaction and translation		**(30,72.00)**	(16,23.57)
Net loss/(gain) on fair valuation of Derivative Instruments through Profit and Loss		**17,21.28**	5,43.08
Sundry balances/advances/investment written off		**44.78**	26.55
Credit loss allowances on Trade Receivable and Loans and Advances(net)	16.2 and 20.1	**52.99**	19.81
Charity and Donation		**3,00.25**	2.55
Miscellaneous expenses	44.1 and 44.2	**1,57,79.31**	1,78,97.65
		14,83,75.81	18,43,56.14

44.1 Miscellaneous expenses includes Auditor's Remuneration (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Audit Fees	**29.00**	29.00
(b) Limited Review and other certification charges	**46.55**	35.65
(c) Reimbursement of expenses	**5.82**	6.92

44.2 Disclosure in respect of Corporate Social Responsibility ('CSR') activities included under Other Miscellaneous Expenses:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Gross amount required to be spent by the Company during the year	**15,04.36**	12,24.74
Add: Shortfall of previous year	**79.06**	–
Less: Excess amount spent in previous year utilised during the year	**–**	9.82
Net amount required to be spent by the company during the year	**15,83.42**	12,14.92
(b) Amount spent during the year on:		
(i) Construction / acquisition of any assets	**–**	–
(ii) On purpose other than (i) above	**16,07.06**	11,35.86
(c) Shortfall/(excess) at the end of the year	**(23.64)**	79.06
(d) Total of previous year shortfall	**–**	–
(e) Reason for shortfall	**N.A.**	*

* The company could not spent the entire amount as approved by the Committee due to delay in identification of sources of application.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(f) Nature of CSR activities	1. Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government.		
	2. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.		
	3. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.		
	4. Contribution to Prime Minister National Relief Fund		
	5. Medical and health care.		
	6. Rural Development Projects		
(g) Details of related party expenditure		–	–
(h) Provision with respect to a liability incurred on entering into a contractual obligation		–	–

44.3 **Disclosure as per Ind AS 116 "Leases"**

44.3.1 **Movement in Lease Liabilities** (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	**27,56.54**	24,18.35
Additions	**9,87.74**	–
Other adjustments	**(8,54.78)**	2,64.00
Interest Cost accrued during the year	**1,51.45**	2,13.07
Deletions	**10,80.60**	–
Payment of lease liabilities	**4,64.00**	1,38.88
Balance at the end	**14,96.35**	27,56.54

44.3.2 **Other disclosures** (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Future payment of lease liabilities on an undiscounted basis are as follows:		
Less than one year	**4,19.47**	9,72.41
One to five years	**11,04.64**	17,97.19
More than five years	**29,39.29**	34,01.24
Lease liabilities included in the statement of financial position:	**14,96.35**	27,56.54
Current Lease Liabilities	**3,15.17**	8,01.61
Non-Current Lease Liabilities	**11,81.18**	19,54.93

44.3.3 **Amounts recognized in Profit or Loss** (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	**1,51.45**	2,13.07
Depreciation on right-of-use assets	**4,20.53**	3,09.53
Expense relating to short-term leases (included in other expenses)	**9,08.68**	9,26.86
Total	**14,80.66**	14,49.46

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

45. Exceptional Items (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Exceptional Items		
Past service cost of employee benefits	**38,38.26**	–
Total	**38,38.26**	–

45.1 The Government of India vide notification dated November 21, 2025 has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as 'the Labour Code') consolidating and replacing the then existing multiple labour legislations in the country. In accordance with the requirements of Ind AS 19, 'Employee Benefits', changes to employee benefit resulting from legislative amendments constitute a plan amendment, necessitating the immediate recognition of any variation in the costs upon such notification. Consequently, the potential impact on the employee benefit and expenses on account of past service costs in respect of Gratuity and Leave Encashment amounting to Rs. 38,38.26 lakhs as evaluated and determined by an independent actuary or otherwise as estimated has been recognised. The development and further clarifications in this respect will continue to be monitored and consequential adjustments will be given effect to in the year of determination.

46. Tax Expense (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax			
In respect of the current year		**30,78.70**	2,08,63.00
In respect of prior years		**1,03.49**	–
Total Current tax expense recognised		**31,82.19**	2,08,63.00
Deferred tax	27	**21,81.41**	(74,03.52)
Total Deferred tax expense recognised		**21,81.41**	(74,03.52)
Total Tax expense recognised		**53,63.60**	1,34,59.48

46.1 **Reconciliation of Income tax expense for the year with accounting profit is as follows:**

Taxable Income 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. Details in this respect are as follows:

(Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax		**1,84,97.58**	8,46,71.80
Income tax charge calculated at 25.168% (previous year 25.168%)		**46,55.47**	2,13,10.20
Less : Effect of income Exempt from taxation/ deductible for computing taxable profit			
- Dividend		**–**	(2,11.43)
- Effect of change in taxation rate/tax base for Capital Gain	46.2	**–**	(80,98.17)
- Others		**(35.30)**	(10.58)
Add : Effect of expenses that are not deductible in determining taxable profit			
- CSR Expenditure and Charity/Donation		**4,80.03**	2,86.51
- Others		**1,59.91**	1,82.94
Income Tax in respect of earlier year		**1,03.49**	–
Income tax expense recognised in Statement of Profit and Loss		**53,63.60**	1,34,59.47

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

46.2 Consequent to the change in rate of taxation on Capital Gain and withdrawal of indexation benefit pursuant to the Finance (No.2) Act 2024, computation of deferred tax liability carried forward from previous year had been revised during the year ended March 31,2025 and resultant differential amounting to Rs. 80,98.17 lakhs (net) being no longer required had been reversed and adjusted against the deferred tax charge for year ended March 31, 2025.

46.3 **Income tax recognised in other comprehensive income** (Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
Net fair value gain on investments in equity shares at FVTOCI	27	**(0.07)**	(0.90)
Remeasurement of defined benefit obligation	27	**(1,45.27)**	29.78
Total income tax recognised in other comprehensive income		**(1,45.34)**	28.88
Bifurcation of the income tax recognised in other comprehensive income into:			
Items that will not be reclassified to profit or loss		**(1,45.34)**	28.88

47. Components of Other Comprehensive Income (Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plans	49	**5,77.18**	(1,18.31)
Equity Instrument through Other Comprehensive Income		**(2,86.57)**	(10,31.70)
		2,90.61	(11,50.01)

48. FINANCIAL INSTRUMENTS (Rs. in lakhs)

a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

Particulars	**As at March 31, 2026**		As at March 31, 2025	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade receivables	**12,22,93.42**	**12,22,93.42**	17,12,41.94	17,12,41.94
Cash and Bank balances	**57,86.06**	**57,86.06**	1,16,97.82	1,16,97.82
Fixed Deposits with banks	**4,16,97.25**	**4,16,97.25**	6,28,42.68	6,28,42.68
Loans	**43,48.90**	**43,48.90**	–	–
Other Financial Assets	**2,13,98.84**	**2,13,98.84**	2,20,60.38	2,20,60.38
Financial Assets measured at Fair Value through Profit and Loss Account				
Current Investments	**5,31,30.47**	**5,31,30.47**	95,88.03	95,88.03
Financial Assets measured at Fair Value through Other Comprehensive Income				
Investment in Equity Instruments other than Subsidiaries and Joint Venture	**46,46.18**	**46,46.18**	49,32.75	49,32.75
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings - fixed rate	**8,50,17.45**	**8,50,17.45**	14,01,20.50	14,01,20.50
Borrowings - floating rate	**3,51,92.51**	**3,51,92.51**	3,99,32.39	3,99,32.39
Lease Liabilities	**14,96.35**	**14,96.35**	27,56.54	27,56.54
Trade Payables	**4,25,40.64**	**4,25,40.64**	4,64,64.54	4,64,64.54
Other Financial Liabilities	**7,20,10.27**	**7,20,10.27**	6,27,45.16	6,27,45.16
Financial Liabilities measured at Fair Value through Profit and Loss Account				
Derivative Instruments	**17,21.28**	**17,21.28**	5,43.08	5,43.08

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

b) **Fair Valuation Techniques**

The fair values of the financial assets and liabilities are included at the amount 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:

1. The fair value of cash and cash equivalents, current trade receivables and payables, current loans, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values. In respect of non current trade receivables and loans, fair value is determined by using discount rates that reflect the present borrowing rate of the company.
2. The company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present prevailing rates for similar borrowing in the market.
3. Investments (other than Investments in Joint Venture and Subsidiaries) traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investment in liquid and short term mutual fund/Alternate Investment Funds, which are classified as Fair value through Profit and Loss are measured using quoted net assets value at the reporting date and in case of debentures, bonds and government securities, the net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.
4. The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. The said valuation has been carried out by the counter party with whom the contract has been entered with and management has evaluated the credit and non-performance risks associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments.

c) Fair value hierarchy

1. The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

(Rs. in lakhs)

Particulars	As at March 31, 2026	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
		Quoted Price in active market	Significant observable inputs	Significant unobservable inputs
Financial Assets				
Current Investments	**5,31,30.47** (95,88.03)	28,00.94 (10,38.20)	5,03,29.53 (85,49.83)	– (–)
Investment in Equity Instruments other than Subsidiaries and Joint Venture (Non-Current)	**46,46.18** (49,32.75)	– (–)	– (–)	46,46.18 (49,32.75)
Financial Liabilities				
Derivative Instrument - Not designated as hedging instrument	**17,21.28** (5,43.08)	– (–)	17,21.28 (5,43.08)	– (–)

(*) Figures in round brackets ( ) indicate figures as at March 31, 2025

2. During the year ended March 31, 2026 and March 31, 2025, there were no transfers between Level 1, Level 2 and Level 3.
3. The Inputs used in fair valuation measurement are as follows:
   i) Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.
   ii) Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The inputs used for forward contracts are Forward foreign currency exchange rates and Interest rates to discount future cash flow.
   iii) Unquoted investments in equity shares have been valued based on the amount available to shareholder's as per the latest audited financial statements wherever available. In case of AIF, LLP's and Debentures these are based on valuation provided by external agencies.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

d) **Derivatives financial assets and liabilities:**

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material.

(i) The following tables present the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Sl. No.	Underlying Purpose	Category	As at March 31, 2026		As at March 31, 2025		Currency
			No. of deals	**Amount in Foreign Currency**	No. of deals	Amount in Foreign Currency	
1	Export Receivables	Forward	**83**	**5,65,23,345**	61	4,87,02,582	USD/INR
2	Export Receivables	Forward	**8**	**42,50,000**	7	36,00,000	GBP/USD
3	Export Receivables	Forward	**7**	**40,00,000**	6	37,00,000	GBP/INR
4	Export Receivables	Forward	**33**	**2,03,00,000**	25	1,85,50,000	EURO/USD
5	Export Receivables	Forward	**23**	**1,41,12,553**	25	2,11,08,513	EURO/INR
6	Export Receivables	Forward	**2**	**10,00,000**	3	17,50,000	SGD/USD
7	Export Receivables	Option	**–**	**–**	3	30,00,000	EURO/USD
8	Export Receivables	Option	**–**	**–**	1	13,50,000	EURO/INR
9	Loan Receivables	Forward	**1**	**40,00,000**	–	–	EURO/INR
10	Suppliers Credit/Imports/ Other payables	Forward	**43**	**3,30,69,650**	51	5,89,60,057	USD/INR
11	Suppliers Credit/Imports/Other payables	Option	**2**	**20,00,000**	2	20,00,000	USD/INR

(ii) Unhedged Foreign Currency exposures are as follows:- (Amount in Foreign Currency)

Nature	Currency	As at March 31, 2026	As at March 31, 2025
Payables			
Imports & Other payables	USD	**87,74,988**	26,93,249
Imports & Other payables	EURO	**1,93,851**	94,981
Imports & Other payables	GBP	**15,051**	42,421
Imports & Other payables	AUD	**40,136**	25,728
Receivable			
Exports & Other receivables	GBP	**9,89,665**	–
Exports & Other receivables	SGD	**3,01,988**	2,13,598
Exports & Other receivables	EURO	**24,15,734**	–

(iii) The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one month	**1,49.99**	(3,14.46)
Later than one month and not later than three months	**(4,11.86)**	16.80
Later than three months and not later than one year	**(14,59.41)**	(2,45.42)
Later than one year	**–**	–

e) **Sale of Financial Assets**

In the normal course of business, the Company transfers its bill receivables to banks. Under the terms of the agreements, the Company surrenders control over the financial assets and the transfer is with recourse. Under arrangement with recourse, the company is obligated to repurchase the uncollected financial assets, subject to limits specified in the agreement with banks. Accordingly, in such cases the amount transferred are recorded as borrowings in the statement of financial position and cash flows from financing activities. As at March 31, 2026 and March 31, 2025 the maximum amount of recourse obligation in respect of financial assets are Rs. 2,09,74.58 lakhs and Rs. 4,63,77.11 lakhs respectively.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

f) **Financial Risk Management**

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

1. **Market Risk**

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk, commodity price risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments in fixed deposit/ Mutual Funds/ Bonds/ Alternative Investment funds and trade and other payables.

i) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, trade receivables and trade or other payables.

In order to mitigate forex losses, the Company over and above the natural hedge available against foreign currency transactions has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts, options and swaps. The Company periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

The carrying amount of various exposures to foreign currency as at the end of the reporting period are as follows:

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Loans Given**	**Trade receivables**	**Loans and borrowings**	**Trade payables and Other Liabilities**	**Net Assets/ (Liabilities)**
USD	**–**	**2,06,49.35**	**(2,95,73.72)**	**(1,20,04.16)**	**(2,09,28.53)**
EURO	**44,50.56**	**3,99,39.01**	**–**	**(2,10.76)**	**4,41,78.81**
GBP	**–**	**1,15,52.66**	**–**	**(18.82)**	**1,15,33.84**
SGD	**–**	**9,56.52**	**–**	**–**	**9,56.52**
AUD	**–**	**–**	**–**	**(26.08)**	**(26.08)**
TOTAL	**44,50.56**	**7,30,97.54**	**(2,95,73.72)**	**(1,22,59.82)**	**3,57,14.56**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Loans Given	Trade receivables	Loans and borrowings	Trade payables and Other Liabilities	Net Assets/ (Liabilities)
USD	–	1,75,36.62	(4,16,83.00)	(1,27,21.48)	(3,68,67.86)
EURO	–	4,04,45.79	–	(87.89)	4,03,57.90
GBP	–	66,94.08	–	(46.91)	66,47.17
SGD	–	12,50.21	–	–	12,50.21
AUD	–	–	–	(13.82)	(13.82)
TOTAL	–	6,59,26.70	(4,16,83.00)	(1,28,70.10)	1,13,73.60

Derivative financial assets and liabilities dealing with outstanding derivative contracts and unhedged foreign currency exposure has been detailed in earlier parts.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

With all other variables held constant, the following table demonstrates the sensitivity in respect of fluctuation of USD, EURO, GBP and other currencies to the Indian Rupee .

(Rs. in lakhs)

Particulars	Effect on Profit before tax	
	For the year ended March 31, 2026	For the year ended March 31, 2025
RECEIVABLES (Weakening of INR by 5%)		
EURO	**1,31.32**	–
GBP	**61.87**	–
SGD	**11.10**	6.81
PAYABLES (Weakening of INR by 5%)		
USD	**(4,16.07)**	(1,15.10)
EURO	**(10.54)**	(4.39)
GBP	**(0.94)**	(2.35)
AUD	**(1.30)**	(0.69)

A 5% strengthening of INR would have an equal and opposite effect on the Company's financial statements.

ii) **Interest rate risk**

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Considering the same, the carrying amount of said borrowing was considered to be at fair value. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk. The company maintains a portfolio mix of fixed and floating rate borrowings. As at March 31, 2026, approximately 70.72% (previous year 77.82%) of the company's borrowings are at fixed rate.

Further there are deposits with banks which are for short term period are exposed to interest rate risk, falling due for renewal. These deposits are however generally for trade purposes as such do not cause material implication. Additionally, the company has certain fixed deposit created in respect of amount withdrawn against claim as dealt within note 11.1 which are periodically renewed till the final settlement.

With all other variables held constant, the following table demonstrates the sensitivity of the borrowing cost on floating rate portion of loans and borrowings.

(Rs. in lakhs)

Nature of Borrowing	Increase in basis points	For the year ended March 31, 2026	For the year ended March 31, 2025
Rupee Loan	+50	**1,75.96**	1,99.66

A decrease in 50 basis point in Rupee Loan would have an equal and opposite effect on the Company's financial statements.

iii) **Commodity Risk**

The company's revenue is exposed to the market risk of price fluctuation related to sale of products which is generally determined by market forces. These prices may be influenced by factors such as supply and demand, production costs (including cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce revenue for the company. The company is subject to fluctuation in prices of iron ore, coking coal, Ferro alloys, zinc and other raw material inputs.

The company aims to sell the products at prevailing market prices. Similarly the company procures key raw material based on prevailing market rates. However, contracts with the customers generally have a delivery period ranging from 90 to 180 days, resulting in mismatch of cost and sales realisation. Further the lead time for procurement of imported material consisting of coal and other ferrous products also have an impact on overall operation.

iv) **Other price risk**

The Company's equity exposure in Subsidiaries and Joint Ventures are carried at cost or deemed cost and these are subject to impairment testing as per the policy followed in this respect. The company's current investments are fair valued through profit and loss and non current investment at fair value through Other Comprehensive Income ('OCI'). The company also invests in mutual fund schemes, AIF, LLP's and Debentures of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact return and value of such investments. However, given the relatively short tenure of underlying portfolio in which the company has invested, such price risk is not significant.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

2. **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). Majority of the Company's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing and thereby credit risk is minimal. The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Major water infrastructure projects are Government funded or foreign aided and the risk involved in payment default is minimum with respect to these customers. Besides, export receivables are primarily from subsidiaries and sales made by them is covered under Credit Insurance. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Further the company obtains necessary security including letter of credits and/or bank guarantee to mitigate its credit risk.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivables balance at the end of the year (other than subsidiaries), there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2026 and March 31, 2025. The company takes collateral or other credit enhancements to secure its credit risk.

The Company extends credit to customers as per the internal credit policy. Any deviation are approved by appropriate authorities, after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and is generally uniform across the markets. Consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. The company computes credit loss allowance based on a matrix of historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables amounts that are past due at the end of the reporting period, no credit losses there against are expected to arise. The company also takes advance, letter of credit and bank guarantee from its customers, which mitigates the credit risk to that extent.

3. **LIQUIDITY RISK**

The company determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs. The company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent. The management has arranged for diversified funding sources and adopted a policy of managing liquidity by monitoring future cashflows and generating liquidity in the system on a regular basis. Surplus funds not immediately required are invested in certain mutual funds, AIF, LLP's, bonds, debentures, fixed deposits etc. which provide flexibility to liquidate as needed for the operations. Besides, the current committed line of credit are sufficient to meet its short to medium term fund requirement.

i) **Liquidity and interest risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables shows principal cash flows as at balance sheet date:

Interest rate and currency of borrowings

As at March 31, 2026 (Rs. in lakhs)

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average Interest Rate (%)
INR	**9,06,36.24**	**3,51,92.51**	**5,54,43.73**	**6.71%**
USD	**2,95,73.72**	**–**	**2,95,73.72**	**4.40%**
Total	**12,02,09.96**	**3,51,92.51**	**8,50,17.45**	

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average Interest Rate (%)
INR	13,83,69.89	3,99,32.39	9,84,37.50	7.59%
USD	4,16,83.00	–	4,16,83.00	4.88%
Total	18,00,52.89	3,99,32.39	14,01,20.50	

Maturity Analysis of Financial Liabilities

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Carrying Amount**	**On Demand**	**Less than 6 months**	**6 to 12 months**	**> 1 year**	**Total**
Interest bearing borrowings* (including current maturities)	**12,02,09.96**	**–**	**9,30,47.36**	**72,97.84**	**1,98,64.76**	**12,02,09.96**
Lease Liabilities	**14,96.35**	**–**	**1,52.28**	**1,62.89**	**11,81.18**	**14,96.35**
Other Financial Liabilities	**7,20,10.27**	**–**	**1,60,38.98**	**–**	**5,59,71.29**	**7,20,10.27**
Trade Payables	**4,25,40.64**	**–**	**4,25,40.64**	**–**	**–**	**4,25,40.64**

* Include Rs 2.82 lakhs as Prepaid Finance Charges.

As at March 31, 2025 (Rs. in lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Interest bearing borrowings* (including current maturities)	18,00,52.89	–	15,09,25.14	1,00,09.35	1,91,18.40	18,00,52.89
Lease Liabilities	27,56.54	5,52.00	1,31.36	1,18.25	19,54.93	27,56.54
Other Financial Liabilities	6,27,45.16	–	68,04.87	–	5,59,40.29	6,27,45.16
Trade Payables	4,64,64.54	–	4,64,64.54	–	–	4,64,64.54

* Include Rs 1,53.43 lakhs as Prepaid Finance Charges.

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient bandwidth on demand to meet expected operational expenses. The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

g) **CAPITAL MANAGEMENT**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without affecting the risk profile of the Company.

The gearing ratio are as follows: (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Borrowings	**12,02,09.96**	18,00,52.89
Less: Cash and Cash Equivalents	**1,68,89.05**	1,10,05.04
Less: Surplus fund parked in fixed deposits and Current Investments	**5,31,30.47**	95,88.03
Net Debt	**5,01,90.44**	15,94,59.82
Equity	**56,83,41.71**	56,37,17.05
Equity and Net Debt	**61,85,32.15**	72,31,76.87
Gearing Ratio	**0.08**	0.22

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

49. Post Retirement Employee Benefits

Disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

a) Defined Contribution Plans

Contribution to Defined Contribution Plan recognized for the year are as under: (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Employer's Contribution to Provident Fund	**7,46.76**	7,10.76
Employer's Contribution to Pension Fund	**3,96.23**	3,95.89
Employer's Contribution to Superannuation Fund	**37.45**	36.33
Employer's Contribution to National Pension Scheme Fund	**1,87.11**	1,42.72
Employer's Contribution to Employee Welfare Sadhan Scheme	**5.42**	2.28

b) Post Employment Defined Benefit Plans

Post Employment Defined Benefit Plans are managed by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Details of such funds are as follows:

Gratuity (Funded)

The company's gratuity scheme, a defined plan is as per the Payment of Gratuity Act 1972, as consolidated into The Code on Social Security 2020, covers the eligible employees and is administered through a Gratuity Fund Trust. Such gratuity trust investments are managed by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. The insurers makes payment to vested employees or their nominee upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs on completion of five year of service. The amount of gratuity payable is the last drawn basic salary per month computed proportionately for 15 days of salary multiplied for the number of year service.

The following table set forth the particulars in respect of aforesaid defined plan of the company for the year ended March 31, 2026 and corresponding figure of the previous year:

(Rs. in lakhs)

		Gratuity (Funded)	
		2025-26	2024-25
i)	**Change in the fair value of the defined benefit obligation:**		
	Liability at the beginning of the year	**73,56.39**	65,57.89
	Interest Cost	**4,65.48**	4,55.76
	Current Service Cost	**4,40.41**	4,22.83
	Past Service Cost	**21,37.95**	–
	Actuarial (gain) / loss on obligation:		
	Remeasurements - Due to Financial Assumptions	**(4,31.76)**	2,89.72
	Remeasurements - Due to Experience Adjustments	**(2,83.29)**	(92.29)
	Benefits paid	**(4,35.81)**	(2,77.52)
	Liability at the end of the year	**92,49.37**	73,56.39
ii)	**Changes in the Fair Value of Plan Asset**		
	Fair value of Plan Assets at the beginning of the year	**59,99.48**	54,43.51
	Expected Return on Plan Assets	**3,92.77**	3,89.59
	Contributions by the Company	**4,81.78**	3,64.78
	Benefits paid	**(4,35.81)**	(2,77.52)
	Remeasurements - Return on Assets (Excluding Interest Income)	**(1,37.87)**	79.12
	Fair value of Plan Assets at the end of the year	**63,00.35**	59,99.48

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

		Gratuity (Funded)	
		2025-26	2024-25
iii)	**Actual return on Plan Asset**		
	Expected return on Plan assets	**3,92.77**	3,89.59
	Actuarial gain / (loss) on Plan Assets	**(1,37.87)**	79.12
	Actual Return on Plan Assets	**2,54.90**	4,68.71
iv)	**Amount Recognized in Balance Sheet**		
	Liability at the end of the year	**92,49.37**	73,56.39
	Plan Assets at the end of the year	**63,00.35**	59,99.48
		29,49.02	13,56.91
v)	**Components of Defined Benefit Cost**		
	a) Recognised in Employee Benefit Expenses		
	Current Service Cost	**4,40.41**	4,22.83
	Interest Cost	**4,65.48**	4,55.76
	Expected Return on Plan Assets	**(3,92.77)**	(3,89.59)
		5,13.12	4,89.00
	b) Recognised in Exceptional Item		
	Past Service Cost	**21,37.95**	–
		21,37.95	–
vi)	**Components of Other Comprehensive Income**		
	Remeasurements - Due to Financial Assumptions	**(4,31.76)**	2,89.72
	Remeasurements - Due to Experience Adjustments	**(2,83.29)**	(92.29)
	Remeasurements - Return on Assets (Excluding Interest Income)	**1,37.87**	(79.12)
		(5,77.18)	1,18.31
vii)	**Balance Sheet Reconciliation**		
	Opening Net Liability	**13,56.91**	11,14.38
	Defined Benefit Cost		
	Recognised in Employee Benefit Expenses	**5,13.12**	4,89.00
	Recognised in Exceptional Item	**21,37.95**	–
	Recognised in Statement of Other Comprehensive Income	**(5,77.18)**	1,18.31
	Employer's Contribution	**(4,81.78)**	(3,64.78)
	Amount Recognized in Balance Sheet	**29,49.02**	13,56.91

viii) Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:

Particulars	**As at March 31, 2026**	As at March 31, 2025
ICICI Balanced Fund	**45.32%**	40.50%
ICICI Debt Fund	**18.27%**	28.85%
Life Insurance Corporation of India	**36.41%**	30.65%

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Other long term Employee benefits

Compensated Absences

The obligation for compensated absences is recognized in the same manner as gratuity except remeasurement benefit which is treated as a part of Statement of Profit and Loss. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the company as at March 31, 2026 and March 31, 2025 are given below:

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Privileged Leave	**38,51.12**	27,72.35
Sick Leave	**12,15.84**	14,83.03
Principal Actuarial assumptions as at the Balance Sheet date		
Discount Rate	**7.23%**	6.51% – 6.55%
Expected Return on Plan Assets	**7.23%**	6.51% – 6.55%
Future Salary Increase	**6.00%**	6.00%
Summary of Demographic Assumption		
(i) Mortality Rate	%ge of IALM (2012-14) (Mod) Mortality Table	
(ii) Disability Table (as percent of above Mortality rate)	5% of Mortality Rate	
(iii) Withdrawal rate	1% to 8%	1% to 8%
(iv) Retirement age	60 to 70 years	60 to 70 years
(v) Average future service	16.27	16.55
(vi) Weighted average duration of Defined Benefit Obligation	4.37	4.65

Notes : i) Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.

ii) The company expects to contribute Rs. 5,40.00 lakhs to Gratuity fund in 2026-27.

Sensitivity Analysis : (Rs. in lakhs)

Particulars	Change in Assumption	Effect in Gratuity Obligation
For the year ended March 31, 2026		
Discount Rate	**+1%** **-1%**	**(5,57.96)** **6,28.04**
Salary Escalation	**+1%** **-1%**	**5,82.70** **(5,27.40)**
Withdrawal Rate	**+1%** **-1%**	**39.72** **(43.99)**
For the year ended March 31, 2025		
Discount Rate	+1% -1%	(4,58.61) 5,58.52
Salary Escalation	+1% -1%	5,50.27 (4,59.41)
Withdrawal Rate	+1% -1%	31.59 3.38

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method and type of assumption used in preparing the sensitivity analysis did not change compared to prior period.

Risk analysis

Through its defined benefit plans, the Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited and the company does not have any liberty to manage the fund provided to them. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to yield of Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk / Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Estimate of expected benefit payments (In absolute terms i.e. undiscounted) (Rs. in lakhs)

Particulars	Gratuity
April 01, 2025 to March 31, 2026	**18,36.21**
April 01, 2026 to March 31, 2027	**9,19.10**
April 01, 2027 to March 31, 2028	**6,40.43**
April 01, 2028 to March 31, 2029	**6,22.36**
April 01, 2029 Onwards	**30,56.02**

Particulars	As at March 31, 2026	As at March 31, 2025
Average no. of people employed	**2884**	2985

50. **(a)** In pursuance of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court of India ('the Order'), followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, allotment of Parbatpur coal block ('coal block'/'mine') to the Company, which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance (subsequently promulgated into Coal Mines (Special Provisions) Act, 2015 i.e. 'CMSP Act'), the Company was allowed to continue the operations in the said coal block till March 31, 2015. Accordingly, the said coal block had been handed over to Bharat Coking Coal Limited ('BCCL') as per the direction from Ministry of Coal ('Ministry'), with effect from April 01, 2015 and the same was thereafter allotted to Steel Authority of India Limited ('SAIL') and an initial compensation of Rs. 84,32.32 lakhs was awarded, of which Rs. 83,12.14 lakhs was received by the Company. SAIL subsequently surrendered the coal block and handed over the said coal block back to the custody of BCCL.

Following a petition filed by the Company, challenging the method and amount of compensation being determined, the Hon'ble High Court of Delhi pronounced its judgement on March 09, 2017 laying down the principles of determination of revised compensation. Accordingly, based on the said judgement, the Company claimed Rs.15,49,44.48 lakhs towards compensation against the said coal block, acceptance whereof is awaited. The then Nominated Authority, for deciding the amount of compensation, had passed an order, after the above judgement, revising the compensation by a small amount. However, upon an appeal being made by the Company, the said order was set aside by the Hon'ble High Court, with a direction to the Nominated Authority to reconsider the same. The Nominated Authority thereafter passed an order dated November 11, 2019 awarding an additional compensation of Rs. 1,80.00 lakhs, with a further direction to determine the value of certain assets forming part of the mine infrastructure, liable for compensation in terms of the CMSP Act to the Company. Subsequently, the Nominated Authority, appointed a valuer to determine the value of those specified assets and thereafter an another valuer was also appointed for cross verification of certain back-up documents, details and indirect costs related thereto, so that to arrive at the correct valuation for compensation against those assets. Moreover, the Company had also earlier approached the Nominated Authority/Ministry to reconsider the compensation, determined by the previous officer holding charge of office of Nominated Authority, for land and some other major assets and the final amount thereof is yet to be decided.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

In the meantime, JSW Steel Limited ('JSW') had been declared as successful bidder for Parbatpur Coal Block in "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015" and vesting order dated June 08, 2023 was issued by the Ministry in their favour. JSW, as being claimed by them, took over the physical possession of said coal block and requested the Company to initiate negotiations for utilization of movable property/ assets used in coal mining. Pursuant to this, the Company has submitted that the matter is sub-judice and pending decision thereof, it is premature to initiate such negotiations at this stage.

On July 15, 2025, the Nominated Authority ('NA') has passed a Provisional Compensation Order of even date ('Provisional Order') declaring additional compensation of Rs. 4,76,10.62 lakhs against shaft and incline and certain other mine infrastructure and Rs. 22,60.31 lakhs against land aggregating to Rs. 4,98,70.93 lakhs in favour of the Company. Comments/ objections sought by the Nominated Authority from the Company, SAIL and JSW in respect of the Provisional Order have been submitted for their consideration. Subsequently, after considering the comments/objections so received, NA passed a compensation order dated November 19, 2025 ('Compensation Order') and determined that Rs. 2,53,04.42 lakhs is payable as compensation towards 'hard cost' of shafts and inclines and certain other mine infrastructure. JSW has been directed to deposit the amount of Rs. 1,96,75.74 lakhs being the aggregate amount of the compensation as above. The compensation towards soft costs of shaft and incline and land is pending determination as on this date and will therefore be decided by NA in due course of time. It has further been directed that the differential cost for preparation of updated Geological Report may be mutually settled between the company and JSW after verification from CMPDIL. At present, JSW has since submitted a bank guarantee of the amount, directed to be deposited as above, to the NA. The CMSP Act also provides for negotiation and decide mutually between the Company and JSW, the compensation amount towards the cost of movable assets not declared as mine infrastructure.

JSW meanwhile filed two petitions, seeking stay and challenging the Compensation Order before the Tribunal, under the CMSP Act, at Ranchi ("Tribunal"). The Tribunal denied JSW's petition seeking stay of the Compensation Order, vide an order dated January 21, 2026. Thereafter, on a petition being filed against the said denial, the Hon'ble Jharkhand High Court, vide order dated January 21, 2026 granted conditional stay against the Compensation Order, subject to JSW depositing 50% of the amount i.e. Rs. 98,37.87 lakhs as directed by NA and the same has been deposited by JSW.

Tribunal on an application filed by the company, vide order dated March 19, 2026, has allowed the withdrawal of the amount so deposited on submission of unconditional and irrecoverable Bank Guarantee ("BG") of an equivalent amount. Pending decision on the matter, the amount so received on submitting the BG have been recognised and disclosed as "Receipt against claim for Coal Mine" under Other Financial Liabilities.

Moreover, the Company's petition before Hon'ble High Court of Delhi, filed in earlier year, for declaration of certain assets as mine infrastructure and determination of the amount of the compensation for the coal block, pertaining to mine infrastructure and land etc., so as to arrive at the total amount of compensation against entire coal block in terms of the CMSP Act read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi, is also being actively pursued and the same is pending adjudication as on this date.

Pending finalisation of the matter as above, no adjustment for the amount of the compensation has been given effect to and various balances pertaining to said mine, as appearing in the books of accounts, have been dealt with as follows:

(i) Rs.12,88,84.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the Company has been continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;

(ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 95,14.74 lakhs have been considered as other recoverable under current assets.

(iii) Compensation of Rs. 83,12.34 lakhs have so far been received. Further net realisations/claims against sale of assets, advances, etc. in this respect aggregates to Rs. 20,90.04 lakhs. Bank guarantee amounting to Rs. 9,20.00 lakhs has been given against the compensation received; and

(iv) Rs. 98,37.87 lakhs received against Bank Guarantee have been disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Necessary disclosures and adjustments arising with respect to above and determination of resultant claims will be given effect to on final acceptance/settlement of the amount thereof.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

50. (b) Various balances pertaining to the claim for Coal Block handed over as above, detailed under different heads of accounts include:

(Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
Inventories		**14,78.76**		14,78.76
Other current assets		**13,99.78**		13,99.78
Capital Work in Progress:				
Plant and Equipment and others assets under Installation	**3,35,42.47**		3,35,42.47	
Mine Development including overburden removal expenses (net) [(refer note 51 (a)]	**8,68,61.17**	**12,04,03.64**	8,68,61.17	12,04,03.64
Other Property, Plant and Equipment		**22,43.99**		22,43.99
Capital Advance		**1,08.94**		1,08.94
Freehold Land		**32,49.00**		32,49.00
Other balances with Banks in Fixed Deposit Escrow Accounts	**5,36.93**		5,36.93	
Less: Provision for mine closure and restoration charges	**(5,36.93)**	**–**	(5,36.93)	–
Sub Total		**12,88,84.11**		12,88,84.11
Other Recoverable		**95,14.74**		95,14.74
Less: Compensation received		**(83,12.34)**		(83,12.34)
Less: Cenvat credit utilised/claimed/written off	**(13,99.78)**		(13,99.78)	
Less: Sale of Assets and other realisations	**(6,90.26)**	**(20,90.04)**	(6,90.26)	(20,90.04)
Total		**12,79,96.47**		12,79,96.47

50. (c) Due to reasons stated in note 50(a) and pending determination of the amount of the claim, balances under various heads which otherwise would have been measured and disclosed as per the requirements of various Indian Accounting Standard have been continued to be included under various heads as disclosed under note 50(b) considering the prevailing circumstances and objective as dealt with herein above.

51. (a) The expenses incurred for projects/assets during the construction/mine development period are classified as "Project Development Expenses" and pending capitalization are included under capital work in progress and are allocated to the cost of the assets on completion of the project/assets. Consequently expenses disclosed under the respective heads are net of amount classified as project development expenses by the Company (refer note 50). The details of these expenses are as follows :

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Balance brought forward		**8,71,87.11**	8,68,61.17
Add: Finance Cost	42.2	**44.34**	6,85.39
Less:			
Allocated/Transferred during the year to completed assets.		**3,70.28**	3,59.45
Total preoperative expenses		**8,68,61.17**	8,71,87.11
Add: Opening stock 64,502 MT (previous year 64,502 MT)		**14,46.25**	14,46.25
Less: Closing stock 64,502 MT(previous year 64,502 MT)		**(14,46.25)**	(14,46.25)
Total preoperative expenses carried forward pending allocation		**8,68,61.17**	8,71,87.11

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

51. (b) **Ageing schedule of Capital Work in Progress**

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Projects in progress					
DIP	**16,71.43**	**4,64.96**	**–**	**–**	**21,36.39**
DIF	**–**	**–**	**–**	**–**	**–**
Coke Oven	**22,28.49**	**–**	**–**	**–**	**22,28.49**
Gasket	**12,33.50**	**3,30.71**	**2,37.92**	**–**	**18,02.13**
Others	**2,82.45**	**1.50**	**–**	**–**	**2,83.95**
Coal Mine (refer note 50) (net of compensation and other realisation)	**–**	**–**	**–**	**11,20,42.92**	**11,20,42.92**
Total	**54,15.87**	**7,97.17**	**2,37.92**	**11,20,42.92**	**11,84,93.88**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
DIP	92,07.82	18,24.74	77.20	–	1,11,09.76
DIF	4,24.02	8.99	1.65	–	4,34.66
Coke Oven	4,19.22	–	–	–	4,19.22
Gasket	3,40.57	1,15.32	–	–	4,55.89
Others	3,94.12	21.92	–	–	4,16.04
Coal Mine (refer note 50) (net of compensation and other realisation)	–	–	–	11,20,42.92	11,20,42.92
Total	1,07,85.75	19,70.97	78.85	11,20,42.92	12,48,78.49

51. (c) **Projects overdue and expected completion date:**

(i) As stated in note 50, the allotment of Parbatpur coal mine which were under advanced stage of implementation was cancelled vide order dated September 24, 2014. Thereby, as dealt with in note 50, the project could not be further progressed and completed. Pending determination of the amount of claim, the balances as were appearing prior to the cancellation, i.e. capital work in progress and other assets balances pertaining to said coal mine have not been adjusted and carried forward in the financial statement.

(ii) Status with respect to other projects, other than DIP Expansion Project involving Rs. 3,29.62 lakhs which has currently been kept on hold pending finalisation of schedule of implementation are as follows:

Details of capital-work-in progress completion schedule

As at March 31, 2026 (Rs. in lakhs)

Details of Project	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
DIP	**3,71.04**	**–**	**–**	**–**	**3,71.05**
DIF	**–**	**–**	**–**	**–**	**–**
Coke Oven	**19,84.48**	**–**	**–**	**–**	**19,84.48**
Gasket	**18,02.13**	**–**	**–**	**–**	**18,02.13**
Total	**41,57.65**	**–**	**–**	**–**	**41,57.66**

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Details of Project	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
DIP Expansion Project	1,04,67.18	–	–	–	1,04,67.18
DIF Project	2,58.46	–	–	–	2,58.46
Coke Oven	4,19.22	–	–	–	4,19.22
Others	–	–	–	–	–
Total	1,11,44.85	–	–	–	1,11,44.85

52. Calculation of Earning Per Share is as follows: (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
(a) Net profit for basic and diluted earnings per share as per Statement of Profit and Loss	**1,31,33.98**	7,12,12.32
Net profit for basic and diluted earnings per share	**1,31,33.98**	7,12,12.32
(b) Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Re. 1/- per share)		
Number of equity shares outstanding as at the beginning of the year	**618184591**	618184591
Add: Changes during the year	**–**	–
Number of equity shares considered in calculating Basic and Diluted EPS	**618184591**	618184591
Weighted average number of equity shares outstanding for Basic and Diluted Earnings per Share	**618184591**	618184591
c) Earnings per share (EPS) of Equity Share of Re. 1 each:		
i) Basic (Rs.) (a/b)	**2.12**	11.52
ii) Diluted (Rs.) (a/b)	**2.12**	11.52

53. Commitments (Rs. in lakhs)

	Particulars	**As at March 31, 2026**		As at March 31, 2025	
(a)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):		**21,27.31**		27,85.11
(b)	Other commitments	**In lakhs**	**Rs. in lakhs**	In lakhs	Rs. in lakhs
	i) Sell Forward contract outstanding				
	In USD	**5,65.23**	**5,36,01.09**	4,87.03	4,16,26.10
	In Euro	**3,84.13**	**4,17,63.12**	3,96.59	3,66,99.34
	In GBP	**82.50**	**1,03,15.25**	73.00	80,72.42
	In SGD	**10.00**	**7,34.66**	17.50	11,14.22
	ii) Buy Forward contract outstanding				
	In USD	**3,30.70**	**3,13,59.95**	5,89.60	5,03,93.16
	iii) Option contract outstanding				
	In USD	**20.00**	**18,96.60**	20.00	17,09.40
	In Euro	**–**	**–**	43.50	40,25.42

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

54. (i) Contingent Liabilities (to the extent not provided for) in respect of: (Rs. in lakhs)

	Particulars	As at March 31, 2026	As at March 31, 2025
a)	Various show cause notices/demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forum / authorities:		
	i) Sales Tax - incentive certificate not renewed, pending forms, input tax credit, export and other disallowances etc.	**62,31.45**	62,36.32
	ii) Entry Tax	**2,21.66**	2,21.66
	iii) Excise, Custom Duty and Service tax matters	**25,03.88**	25,18.08
	iv) Income Tax - capital subsidy and other disallowances	**7,21.00**	7,21.00
	v) Goods & Service Tax- Transitional credit and other disallowances	**1,07.69**	94.18
b)	Employees State Insurance Corporation has raised demand for contribution in respect of Gross Job Charges for the year 2001-02, 2003-04 and March'08 to January'10. In the opinion of the management demand is adhoc and arbitrary and is not sustainable legally.	**92.51**	92.51
c)	Demand of Tamil Nadu Electricity Board disputed by the Company.	**8.20**	8.20
d)	During the year 1994, UPSEB had raised demand for electricity charges by revising the power tariff schedule applicable to the Company retrospectively from Feb'86. In the opinion of the management the revised power tariff is not applicable to the Company and accordingly the Company disputed the demand and the matter is pending before Hon'ble High Court at Allahabad.	**2,61.74**	2,61.74
e)	Standby Letter of Credit issued by banks on behalf of the company in favour of Subsidiary Companies (refer note 55.1(b))	**68,27.76**	62,17.94
f)	Financial Guarantees given by banks on behalf of the Company	**9,22.00**	9,22.00
g)	Demand of differential railway freight for the year 2008-09 to 2010-11 amounting to Rs. 57,33.29 lakhs (previous year Rs. 57,33.29 lakhs) has been contested by the Company and the matter is pending before the Hon'ble High Court at Calcutta.		
h)	The compensation awarded in favour of the company as detailed in note 6.1 and 25.1, Rs. 2,52.85 lakhs related to commission and other charges and interest, if any payable in this respect pending decision of Hon'ble Supreme Court of India. The amount of interest payable, if any, in this respect is currently not determinable.		
i)	Forest Department fee amounting to Rs. 9,28.90 lakhs which has been decided in favour of the Company by the Hon'ble High Court of Karnataka. However, the Government of Karnataka has filed a Special Leave Petition before the Hon'ble Supreme Court and the matter is pending thereof.		

Note : The Company's pending litigations comprises of claim against the company and proceedings pending with Taxation/ Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions and disclosures, where applicable in its financial statements. The company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows, if any, in respect of (a) to (d) and (g) to (i) above is dependent upon the outcome of judgments / decisions.

54. (ii) Contingent assets (not recognised for) in respect of : (Rs. in lakhs)

	Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
a)	Benefits under Industrial Promotion Scheme **	19.4(a)	**Amount unascertainable**	Amount unascertainable
b)	Claim for damages pertaining to Wagon Investment scheme	6.1	**3,12,85.27**	3,12,85.27
c)	Claim against Durgachak Railway Siding	25.1	**2,48,96.87**	2,48,96.87
d)	Insurance claim pending acceptance		**87.03**	22.67

** Pre Goods & Service Tax (GST), the Company was entitled for benefits under Industrial Promotion scheme of state government. Post implementation of GST, the amount of incentive as a matter of prudence has not recognised under the scheme for the period from July 01, 2017 to March 31, 2019.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

55. Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A. Names of related parties and description of relationship

1) Subsidiary Company	Electrosteel Europe SA Electrosteel Algerie SPA Electrosteel Castings (UK) Limited Electrosteel USA LLC WaterFab, LLC (subsidiary of Electrosteel USA, LLC) Electrosteel Trading S.A.U, Spain Electrosteel Castings Gulf Fze Electrosteel Doha for Trading (LLC) Electrosteel Brasil Ltda. Tubos e Conexoes Duteis Electrosteel Bahrain Holding WLL Electrosteel Bahrain Trading WLL (subsidiary of Electrosteel Bahrain Holding WLL) Singardo International Pte Limited (w.e.f. October 22, 2024) Electrosteel Vietnam Company Limited, (subsidiary of Singardo International Pte Limited w.e.f. October 21, 2025) T.I.S. Services S.P.A. (w.e.f. July 29, 2025) T.I.S. Engineering D.O.O. (subsidiary of T.I.S. Services S.P.A.) T.I.S. Polska SP. ZOO (subsidiary of T.I.S. Services S.P.A.) T.I.S. Turkey Water Technologies San.Ve Tic.A. (subsidiary of T.I.S. Services S.P.A.) T.I.S. Nuoval S.r.l. (subsidiary of T.I.S. Services S.P.A.) (w.e.f. November 04, 2025)
2) Joint Venture	North Dhadhu Mining Company Private Limited
3) Key Management Personnel (KMP) and close member of their family	Mr. Umang Kejriwal - Managing Director Mr. Mayank Kejriwal - Joint Managing Director Mr. Uddhav Kejriwal - Wholetime Director Mr. Sunil Katial - Chief Executive Officer & Wholetime Director Mr. Ashutosh Agarwal - CFO & Wholetime Director Ms. Priya Manjari Todi - Wholetime Director Ms. Radha Kejriwal Agarwal - Wholetime Director Mr. Madhav Kejriwal - Wholetime Director Ms. Nityangi Kejriwal Jaiswal - Wholetime Director Mr. Ajay Kumar (Director upto May 14, 2025) Mr. Vyas Mitre Ralli - Director Mr. Amrendra Prasad Verma - Director Dr. Mohua Banerjee - Director Mr. Rajkumar Khanna - Director Mr. Bal Kishan Choudhury - Director Mr. Virendra Sinha - Director Mr. Jinendra Kumar Jain - Director Ms. Sangeeta Singh - Director (appointed w.e.f. October 30, 2024) Mr. Bikramjit Ghosh (appointed w.e.f. August 30, 2025) Ms. Priya Sakhi Kejriwal Mehta - Daughter of Mr. Umang Kejriwal
4) Enterprise where KMP and/or Close member of the family have significant influence or control	Tulsi Highrise Private Limited Sri Gopal Investments Ventures Limited Global Exports Limited Sree Khemisati Constructions Private Limited Electrosteel Thermal Coal Limited Badrinath Industries Limited Wilcox Merchants Private Limited EVE Technologies Private Limited Kaveri Charitable Trust Bihariji Trust

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

B. Related Party Transactions (Rs. in lakhs)

Particulars	Subsidiary	KMP and Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Sale						
Electrosteel Europe SA	4,99,01.48	–	–	4,99,01.48	3,94,81.08	–
Electrosteel Castings (UK) Limited	1,74,02.05	–	–	1,74,02.05	1,15,52.67	–
Electrosteel USA, LLC	75,51.09	–	–	75,51.09	66,61.62	–
Electrosteel Castings Gulf FZE	48,55.44	–	–	48,55.44	20,96.67	–
Electrosteel Bahrain Trading WLL	1,38,80.25	–	–	1,38,80.25	52,36.28	–
Electrosteel Doha for Trading LLC	10,46.36	–	–	10,46.36	–	–
Singardo International Pte Limited	23,48.25	–	–	23,48.25	9,56.52	–
T.I.S. Polska Sp. z o.o.	4,46.69	–	–	4,46.69	4,57.35	–
Total	**9,74,31.61**	**–**	**–**	**9,74,31.61**	**6,64,42.19**	**–**
Previous Year						
Electrosteel Europe SA	5,70,92.69	–	–	5,70,92.69	–	4,04,45.79
Electrosteel Castings (UK) Limited	1,98,63.95	–	–	1,98,63.95	–	66,94.08
Electrosteel USA, LLC	47,73.96	–	–	47,73.96	–	75,52.79
Electrosteel Castings Gulf FZE	33,90.78	–	–	33,90.78	–	16,72.59
Electrosteel Bahrain Trading WLL	1,74,04.26	–	–	1,74,04.26	–	65,45.24
Electrosteel Doha for Trading LLC	15,62.75	–	–	15,62.75	–	–
Singardo International Pte Limited	10,79.22	–	–	10,79.22	–	12,17.17
Remuneration						
Mr. Umang Kejriwal	–	3,02.66	–	3,02.66	16.78	–
Mr. Mayank Kejriwal	–	3,10.27	–	3,10.27	14.93	–
Mr. Uddhav Kejriwal	–	2,04.79	–	2,04.79	7.72	–
Mr. Sunil Katial	–	3,20.26	–	3,20.26	13.02	–
Mr. Ashutosh Agarwal	–	2,06.74	–	2,06.74	5.67	–
Ms. Priya Manjari Todi	–	1,89.56	–	1,89.56	9.51	–
Ms. Radha Kejriwal Agarwal	–	49.67	–	49.67	2.53	–
Mr. Madhav Kejriwal	–	1,84.54	–	1,84.54	9.23	–
Ms. Nityangi Kejriwal Jaiswal	–	1,84.54	–	1,84.54	8.96	–
Dr. Mohua Banerjee	–	12.80	–	12.80	6.30	–
Mr. Rajkumar Khanna	–	13.20	–	13.20	6.30	–
Mr. Vyas Mitre Ralli	–	12.60	–	12.60	6.30	–
Mr. Amrendra Prasad Verma	–	12.20	–	12.20	6.30	–
Mr. Bal Kishan Choudhury	–	10.60	–	10.60	6.30	–
Mr. Virendra Sinha	–	10.20	–	10.20	6.30	–
Mr. Jinendra Kumar Jain	–	14.20	–	14.20	6.30	–
Mr. Ajay Kumar	–	0.70	–	0.70	–	–
Ms. Sangeeta Singh	–	10.00	–	10.00	6.30	–
Mr. Bikramjit Ghosh	–	8.50	–	8.50	6.30	–
Total	**–**	**20,58.03**	**–**	**20,58.03**	**1,45.05**	**–**
Previous Year						

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	Subsidiary	KMP and Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Mr. Umang Kejriwal	–	5,07.98	–	5,07.98	–	1,24.21
Mr. Mayank Kejriwal	–	5,06.83	–	5,06.83	–	1,25.94
Mr. Uddhav Kejriwal	–	2,11.44	–	2,11.44	–	13.35
Mr. Sunil Katial	–	3,07.57	–	3,07.57	–	14.11
Mr. Ashutosh Agarwal	–	2,01.48	–	2,01.48	–	8.96
Ms. Priya Manjari Todi	–	1,85.67	–	1,85.67	–	9.10
Ms. Radha Kejriwal Agarwal	–	47.12	–	47.12	–	2.54
Mr. Madhav Kejriwal	–	1,74.97	–	1,74.97	–	8.87
Ms. Nityangi Kejriwal Jaiswal	–	1,74.97	–	1,74.97	–	8.61
Dr. Mohua Banerjee	–	14.90	–	14.90	–	9.00
Mr. Rajkumar Khanna	–	16.30	–	16.30	–	9.00
Mr. Vyas Mitre Ralli	–	15.20	–	15.20	–	9.00
Mr. Amrendra Prasad Verma	–	15.70	–	15.70	–	9.00
Mr. Bal Kishan Choudhury	–	13.40	–	13.40	–	9.00
Mr. Virendra Sinha	–	13.20	–	13.20	–	9.00
Mr. Jinendra Kumar Jain	–	16.30	–	16.30	–	9.00
Mr. Ajay Kumar	–	13.10	–	13.10	–	9.00
Ms. Sangeeta Singh	–	11.50	–	11.50	–	10.35
Lease Rent Paid						
Tulsi Highrise Private Limited	–	–	1,19.55	1,19.55	–	–
Wilcox Merchants Private Limited	–	–	82.50	82.50	–	–
Sree Khemisati Constructions Private Limited	–	–	65.70	65.70	–	–
Badrinath Industries Limited	–	–	5.00	5.00	–	–
Global Exports Limited	–	–	32.93	32.93	–	–
Total	**–**	**–**	**3,05.68**	**3,05.68**	**–**	**–**
Previous Year						
Tulsi Highrise Private Limited	–	–	1,11.04	1,11.04	–	–
Wilcox Merchants Private Limited	–	–	78.29	78.29	–	–
Sri Gopal Investments Ventures Limited	–	–	25.41	25.41	–	–
Sree Khemisati Constructions Private Limited	–	–	58.20	58.20	–	–
Badrinath Industries Limited	–	–	30.00	30.00	–	–
Global Exports Limited	–	–	29.17	29.17	–	–
Service Charges Paid						
Sree Khemisati Constructions Private Limited	–	–	4,42.24	4,42.24	3.46	–
Global Exports Limited	–	–	90.00	90.00	–	–
EVE Technologies Private Limited	–	–	4.62	4.62	3.10	–
T.I.S. Engineering DOO	1,01.93	–	–	1,01.93	91.73	–
Total	**1,01.93**	**–**	**5,36.86**	**6,38.79**	**98.29**	**–**
Previous Year						
Sree Khemisati Constructions Private Limited	–	–	4,21.93	4,21.93	–	2.73
Global Exports Limited	–	–	90.00	90.00	–	–
Sri Gopal Investments Ventures Limited	–	–	3.95	3.95	–	0.16
EVE Technologies Private Limited	–	–	18.26	18.26	–	1.94

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	Subsidiary	KMP and Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Service Charges Received						
Electrosteel USA, LLC	79.50	–	–	79.50	36.75	–
Total	79.50	–	–	79.50	36.75	–
Previous Year						
Electrosteel USA, LLC	89.20	–	–	89.20		–
Loan Given						
TIS SERVICE SPA	40,92.20	–	–	40,92.20	43,48.90	–
Total	**40,92.20**	**–**	**–**	**40,92.20**	**43,48.90**	**–**
Previous Year						
Interest Received						
TIS SERVICE SPA	1,01.66	–	–	1,01.66	1,01.66	–
Total	**1,01.66**	**–**	**–**	**1,01.66**	**1,01.66**	**–**
Previous Year						
Reimbursements of expenses paid						
Electrosteel Europe SA	59.14	–	–	59.14	59.14	–
Electrosteel Bahrain Trading WLL	7.69	–	–	7.69	7.69	–
Total	**66.83**	**–**	**–**	**66.83**	**66.83**	**–**
Previous Year						
Electrosteel Europe SA	44.32	–	–	44.32		–
Electrosteel Bahrain Trading WLL	6.41	–	–	6.41		–
Singardo International Pte Limited	25.53	–	–	25.53		–
Standby Letter of Credit						
Electrosteel Algerie SPA	–	–	–	–	1,89.66	–
Electrosteel USA, LLC	–	–	–	–	66,38.10	–
Total	**–**	**–**	**–**	**–**	**68,27.76**	**–**
Previous Year						
Electrosteel Algerie SPA	–	–	–	–	–	2,35.04
Electrosteel USA, LLC	38,46.15	–	–	38,46.15	–	59,82.90
Commission						
Electrosteel Castings Gulf FZE	22.95	–	–	22.95	24.86	–
Electrosteel Algerie SPA	51.17	–	–	51.17	–	–
Electrosteel Vietnam Company Limited	64.94	–	–	64.94	64.94	–
Total	**1,39.06**	**–**	**–**	**1,39.06**	**89.80**	**–**
Previous Year						
Electrosteel Castings Gulf FZE	18.15	–	–	18.15		18.53
Electrosteel USA, LLC	32.16	–	–	32.16		–
Security Deposits						
Electrosteel Thermal Coal Limited	–	–	–	–	1,92.62	–
Tulsi Highrise Private Limited	–	–	–	–	2,85.00	–
Wilcox Merchants Private Limited	–	–	–	–	2,72.50	–
Global Exports Limited	–	–	–	–	15.00	–
Badrinath Industries Limited	–	–	–	–	0.30	–
Total	–	–	–	–	7,65.42	–
Previous Year						

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	Subsidiary	KMP and Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Sri Gopal Investments Ventures Limited	–	–	–	–	–	12.71
Electrosteel Thermal Coal Limited	–	–	1.93	1.93	–	1,92.62
Tulsi Highrise Private Limited	–	–	–	–	–	2,85.00
Wilcox Merchants Private Limited	–	–	–	–	–	2,72.50
Global Exports Limited	–	–	–	–	–	15.00
Badrinath Industries Limited	–	–	–	–	–	0.30
Dividend Received						
Previous Year						
Electrosteel Doha for Trading LLC	8,40.08	–	–	8,40.08	–	–
Advances Taken						
Electrosteel Doha for Trading LLC	11,66.81	–	–	11,66.81	11,24.03	–
Total	**11,66.81**	**–**	**–**	**11,66.81**	**11,24.03**	**–**
Previous Year						
Electrosteel Doha for Trading LLC	28,13.29	–	–	28,13.29	–	10,27.06
Electrosteel Castings Gulf FZE	8,11.78	–	–	8,11.78	–	–
Other Expenses						
Previous Year						
Ms. Priya Sakhi Kejriwal Mehta	–	12.00	–	12.00	–	–
Charity & Donation						
Kaveri Charitable Trust	–	–	1,50.00	1,50.00	–	–
Bihariji Trust	–	–	1,50.00	1,50.00	–	–
Total	**–**	**–**	**3,00.00**	**3,00.00**	**–**	**–**
Previous Year						

1. The above related party information is as identified by the management and relied upon by the auditor.
2. There are no loans or advances in the nature of loans granted to Promoters, Directors, Key Managerial Personal or any other related party (as per Companies Act 2013) either severally or jointly with any other persons, during the current/previous financial year.
3. In respect of the above parties, there is no provision for doubtful debt as on March 31, 2026 and no amount has been written off or written back during the year in respect of debt due from/ to them.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

C. Details of compensation paid to KMP are as follows: (Rs. in lakhs)

Particulars	**For the Year ended March 31, 2026**	For the Year ended March 31, 2025
Short-term employee benefits	**18,90.17**	22,92.27
Post-employment benefits *	**1,47.86**	1,41.16
Other long-term benefits *	**20.00**	20.00

* Post-employment benefits and other long-term benefits is being disclosed based on actual payment made including those on retirement / resignation of services, but does not includes provision made on actuarial basis as the same is available for all employees together.

D. Terms and conditions of transactions with related parties

a. The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. For the year ended March 31, 2026, the company has not recorded impairment of receivable relating to amount owned by the parties. The measurement is undertaken each financial year considering the financial position of the related party and the market in which the related party operates.

b. The amounts outstanding are unsecured and will be settled in cash and cash equivalent. No guarantees have been given or received.

c. The remuneration of directors is determined by the Nominations and Remuneration Committee having regard to the performance of individuals and market trends.

55.1 Details of Loans, Investments and Guarantees covered u/s 186(4) of the Companies Act, 2013:

a) Details of Investments are given under the respective heads (refer note 8, 9 and 15).

b) Details of Standby Letter of Credit given by the Company are as follows:

(Rs. in lakhs)

Name of the Company	**Purpose**	**As at March 31, 2026**	As at March 31, 2025
Electrosteel Algerie SPA	Fund based facility from bank	**1,89.66**	2,35.04
Electrosteel USA LLC	Short term loan facility	**23,70.75**	21,36.75
Electrosteel USA LLC	Fund based facility from bank	**42,67.35**	38,46.15

c) Disclosure of Loans and Advances as per the Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) are as follows:

(Rs. in lakhs)

Particulars	**Amount Outstanding at the year end**	**Maximum Amount outstanding during the year**	Amount Outstanding at the year end	Maximum Amount outstanding during the year
	March 31, 2026	**March 31, 2026**	March 31, 2025	March 31, 2025
Loans and advances in the nature of loans to Subsidiaries:				
(a) T.I.S. Services S.P.A.	**43,48.90**	**43,48.90**	–	–
Loans and advances in the nature of loans to Firms/ Companies in which directors are interested				
Loans and advance in the nature of loans and loanee has invested in:				
(a) Shares of Parent Company	**–**	**–**	–	–
(b) Shares of a Subsidiary (including sub/fellow subsidiary)	**–**	**–**	–	–

The above Unsecured Loans bearing interest @ 3.6% p.a. have been given for general corporate purpose.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

56. Accounting Ratios

Sl. No.	Name of the Ratio	Numerator	Denominator	As at/ For the year ended March 31, 2026	As at/ For the year ended March 31, 2025	Variance in %	Reason for variance
1	Current Ratio (in times)	Current assets	Current liabilities	2.15	1.73	24%	–
2	Debt - Equity Ratio (in times)	Total debt	Equity	0.21	0.32	-33%	Due to reduction in total debt.
3	Debt Service coverage ratio (in times)	Earnings available for debt service	Total debt service	1.14	3.81	-70%	Due to decrease in volume of sales and lower realisation thereagainst
4	Return on equity (in %)	Net profit - preferred dividends	Average shareholder equity	2.32%	13.40%	-83%	Due to decrease in volume of sales and lower realisation thereagainst
5	Inventory Turnover Ratio (in times)	Sales	Average inventory	2.87	3.71	-23%	–
6	Trade receivables turnover ratio (in times)	Net sales	Average accounts receivables	3.41	4.10	-17%	–
7	Trade payables turnover ratio (in times)	Net purchases	Average trade payables	6.64	8.62	-23%	–
8	Net capital turnover ratio (in times)	Net sales	Working Capital	2.43	3.82	-36%	Due to decrease in volume of sales and lower realisation thereagainst
9	Net profit ratio (in %)	Net profit	Net sales	2.63%	10.60%	-75%	Due to decrease in volume of sales and lower realisation thereagainst
10	Return on capital employed (in %)	Earning before interest and taxes	Capital employed	5.49%	12.83%	-57%	Due to decrease in volume of sales and lower realisation thereagainst
11	Return on investment	{MV(T1)-MV(T0)-Sum[C(t)]}	{MV(T0)+Sum[W(t)*C(t)]}	6.54%	9.06%	-28%	Due to strategic investment made in a subsidiary during the year, there is reduction in return on investment.

Definitions:

(a) Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest and Lease Payments + Principal Repayments (including prepayments)

(c) Average inventory = (Opening inventory + Closing inventory) / 2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables + Closing trade receivables) / 2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables+ Closing trade payables) / 2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liabilities

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(k) Return on Investment (MV(T1) – MV(T0) – Sum [C(t)]) (MV(T0) + Sum [W(t) * C(t)]) where,

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t] / T1

57. Disclosure Of Transactions With Struck Off Companies

Based on the information available with the company from the website of Ministry of Corporate Affairs and on certification from an independent professional hired for identification of such companies, the details of transactions are as follows:

(Rs. in lakhs)

Name of the struck off company	**Nature of transactions with struck off company**	**As at March 31, 2026**	As at March 31, 2025	**Relationship with the struck off company, if any, to be disclosed**
Godrej & Boyce Mfg. Co. Limited Prima Division	Payables	**–**	0.51	–
Grauer & Weil (I) Limited	Payables	**–**	–	–
Binary Solutions Private Limited	Payables	**–**	–	–
Dhona Instruments Private Limited	Payables	**–**	–	–
ELBI Consultancy India Private Limited	Payables	**–**	–	–
Price Waterhouse Coopers Private Limited	Payables	**–**	0.97	–
Safety Perfect Private Limited	Payables	**(0.73)**	(0.73)	–
Brilliant Enterprises	Receivables	**–**	(4.54)	–

58. Additional Information pursuant to amendments made in Schedule III to the extent applicable to the company (Other than those that have been disclosed under the respective Notes to the financial statements):

(A) Utilisation of borrowed funds and share premium

(i) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(B) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(C) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(D) Compliance with number of layers of companies

The Company has complied with number of layers prescribed under section 2(87) of the Act read with Companies (Restriction on number of layers) Rules, 2017.

Notes to Standalone Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

59. The company operates mainly in one business segment viz 'Pipes & Fittings' being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given as under:

(Rs. in lakhs)

Particulars	**2025-26**			2024-25		
	Within India	**Outside India**	**Total**	Within India	Outside India	Total
Sales (gross)	**38,81,74.64**	**11,21,41.09**	**50,03,15.73**	55,86,15.59	11,32,68.85	67,18,84.44
Non-Current Assets other than financial instruments	**41,58,22.76**	**–**	**41,58,22.76**	42,02,63.51	–	42,02,63.51

60. The company has opted for continuing accounting policy in respect of exchange difference arising on reporting of long term foreign currency monetary items in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards". The unamortised balance in the carrying amount of Property, Plant and Equipments / capital work in progress is Rs. 2,70,24.56 lakhs (previous year Rs 2,73,41.22 lakhs).

61. These financial statements have been approved by the Board of Directors of the Company on May 18, 2026 for issue to the shareholders for the adoption.

62. Previous year figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Form AOC 1

(Pursuant to first proviso to sub-section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement Of Subsidiaries/ Associate Companies/Joint Ventures of Electrosteel Castings Limited as on 31st March, 2026

PART ' A' : Subsidiaries

(Rs. in lakhs)

Sl. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Year	Exchange Rate	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investment	Revenue from operation/ Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Other Comprehensive Income	Total Comprehensive Income	Proposed dividend *	%age of share-holding	Country
1	Electrosteel Algerie SPA**	January 21, 2004	N.A.	DZD	2025-26	0.7145	9,65.24	(6,73.78)	3,81.60	90.14	–	2,17.88	1,26.27	0.07	1,26.20	–	1,26.20	–	100%	Algeria
2	Electrosteel Castings (UK) Limited	January 17, 2005	N.A.	GBP	2025–26	125.03	13,75.37	69,06.26	3,00,29.79	2,17,48.16	–	3,45,70.27	31,92.52	8,04.41	23,88.11	–	23,88.11	–	100%	United Kingdom
3	Electrosteel Europe S.A.	December 24, 2001	N.A.	EURO	2025–26	108.72	41,31.46	96,62.42	7,46,91.68	6,08,97.80	0.53	8,08,09.79	(4,99.18)	1,91.26	(6,90.44)	–	(6,90.44)	–	100%	France
4	Electrosteel USA, LLC#	September 30, 2008	N.A.	USD	2025–26	94.83	28,44.90	25,84.03	2,02,38.44	1,48,09.51	–	1,96,44.45	9,04.51	(2,14.16)	11,18.67	–	11,18.67	–	100%	USA
5	Electrosteel Trading, S.A.	December 13, 2011	N.A.	EURO	2025–26	108.72	70.67	51.98	2,55.55	1,32.90	–	3,74.58	(55.89)	–	(55.89)	–	(55.89)	–	100%	Spain
6	Electrosteel Doha for Trading LLC	September 30, 2012	N.A.	QAR	2025–26	26.06	52.13	26,07.12	32,32.99	5,73.74	–	24,79.73	1,40.94	21.76	1,19.18	–	1,19.18	–	49%	Qatar
7	Electrosteel Castings Gulf FZE	August 2, 2012	N.A.	AED	2025–26	25.82	2,58.19	13,57.68	44,63.81	28,47.94	–	82,55.18	4,95.23	74.28	4,20.95	–	4,20.95	–	100%	UAE
8	Electrosteel Brasil LTDA. Tubos e Conexoes Duteis	January 22, 2013	N.A.	BRL	2025–26	18.06	27.08	(1,38.49)	–	1,11.41	–	–	4.53	–	4.53	–	4.53	–	100%	Brazil
9	Electrosteel Bahrain Holding W.L.L ##	March 17, 2015	N.A.	BHD	2025–26	251.34	6,28.35	49,97.77	1,23,39.32	67,13.20	–	2,29,78.33	1,48.07	–	1,48.07	–	1,48.07	–	100%	Bahrain
10	Singardo International Pte. Ltd.###	October 22, 2024	N.A.	SGD	2025–26	73.47	21,45.58	26,68.94	85,36.69	37,22.17	–	67,34.64	1,41.98	26.79	1,15.19	0.35	1,15.54	–	100%	Singapore
11	T.I.S. Service S.p.A.####	July 29, 2025	N.A.	EURO	2025–26	108.72	32,61.68	92,59.70	3,74,51.36	2,49,29.98	–	2,44,07.40	13,05.27	85.06	12,20.21	–	12,20.21	–	100%	Italy

Notes :

Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2026.

* Includes dividend paid during the year.

** The financial year of the company is calander year as per host country law. However, for the purpose of consolidation, financial statement has been drawn as at March end.

Consolidated Financial Statement includes its wholly owned subsidiary WaterFab LLC

Consolidated Financial Statement includes its subsidiary Electrosteel Bahrain Trading WLL

Consolidated Financial Statement includes its wholly owned subsidiary Electrosteel Vietnam Company Limited

The financial year of the company is calander year as per host country law. However, for the purpose of consolidation, financial statement has been drawn as at March end. Consolidated Financial Statement includes its wholly owned subsidiary T.I.S. Engineering D.O.O., T.I.S. Polska SP. ZOO, T.I.S. Turkey Water Technologies San.Ve Tic.A., T.I.S. Nuoval S.r.l.

PART 'B' : Associates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of the Associates/Joint Ventures	Latest Audited Balance Sheet Date	Date on which Associate or Joint Venture was acquired	Shares of Associate or Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/Joint Venture is not consolidated	Net Worth attributable to shareholding as per latest audited Balance Sheet (Rs. in lakhs)	Total Comprehensive Income	
				No. of Shares held by the Company as on March 31, 2026	Amount of investment (Rs. in lakhs)	Extent of holding%				Considered in consolidation (Rs. in lakhs)	Not considered in consolidation (Rs. in lakhs)
1	North Dhadhu Mining Company Private Limited	Ref Note No 8.1	October 22, 2008	8228053	8,22.81	48.98%	Extent of holding more than 20%	Ref Note No 8.1	–	–	–

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN : 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Kolkata
May 18, 2026

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Standalone Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in lakhs)

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	522799.54	Not Ascertainable
2.	Total Expenditure	500463.71	
3.	Net Profit/(Loss) (including other comprehensive income)	13279.24	
4.	Earnings Per Share (Basic)	2.12	
5.	Total Assets	863355.56	
6.	Total Liabilities	863355.56	
7.	Net Worth (Equity Share Capital plus Other Equity)	568341.71	
8.	Any other financial item(s) (as felt appropriate by the management)	–	–

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

Attention has been drawn by the Auditors' under the heading "Basis of Qualified Opinion" of the Auditors' Report to the following notes of the financial results for the quarter and year ended 31st March 2026 -

Sub Para (a): Note no. 3 regarding cancellation of the coal block allotted to the company in earlier year and adjustments to be given effect to in respect of the claims made by the company, amount determined, awarded/received so far in this respect and required disclosures/ adjustments in terms of Ind AS with respect to the carrying amounts of the property, plant and equipment, capital work in progress, inventory and balances lying under other heads of account and carried forward pending finalisation of the amount of claim in this respect due to the reasons stated therein.

Sub Para (b): Note No. 4(a) in respect of company's investment in the equity shares of ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL, and which was set aside by Hon'ble High court at Kolkata and the matter is currently pending before the said court. Further, as stated in Note no. 4(b) dealing with mortgage of Land at Elavur plant in favour of one of the lenders of ESL which had assigned their rights to another party and thereby symbolic possession of the said land was taken by the said party. The matter has been disputed by the company and the matter is pending before DRAT and Hon'ble Madras High Court as stated in the said note is currently sub-judice and pending final adjudication.

Sub Para (c): Pending finalization of the matters dealt with in (a) and (b) above, required disclosures, adjustments and impacts thereof are presently not ascertainable and as such cannot be commented upon by us.

b. Type of Audit Qualification: Qualified Opinion / ~~Disclaimer of Opinion~~ / ~~Adverse Opinion~~.

c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing – Note no. 3since financial year 2014-15 and Note no. 4since financial year 2017-18.

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: N.A.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: N.A.

(ii) If management is unable to estimate the impact, reasons for the same:

Sub Para (a) - In pursuance of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court of India ('the Order'), followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, allotment of Parbatpur coal block ('coal block'/'mine') to the Company, which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance (subsequently promulgated into Coal Mines (Special Provisions) Act, 2015 i.e. 'CMSP Act'), the Company was allowed to continue the operations in the said coal block till March 31, 2015. Accordingly, the said coal block had been handed over to Bharat Coking Coal Limited ('BCCL') as per the direction from Ministry of Coal ('Ministry'), with effect from April 01, 2015 and the same was thereafter allotted to Steel Authority of India Limited ('SAIL') and an initial compensation of Rs. 8432.32 lakhs was awarded, of which Rs. 8312.14 lakhs was received by the Company. SAIL subsequently surrendered the coal block and handed over the said coal block back to the custody of BCCL.

Following a petition filed by the Company, challenging the method and amount of compensation being determined, the Hon'ble High Court of Delhi pronounced its judgement on March 09, 2017 laying down the principles of determination of revised compensation. Accordingly, based on the said judgement, the Company claimed Rs.154944.48 lakhs towards compensation against the said coal block, acceptance whereof is awaited. The then Nominated Authority, for deciding the amount of compensation, had passed an order, after the above judgement, revising the compensation by a small amount. However, upon an appeal being made by the Company, the said order was set aside by the Hon'ble High Court, with a direction to the Nominated Authority to reconsider the same. The Nominated Authority thereafter passed an order dated November 11, 2019 awarding an additional compensation of Rs. 180.00 lakhs, with a further direction to determine the value of certain assets forming part of the mine infrastructure, liable for compensation in terms of the CMSP Act to the Company. Subsequently, the Nominated Authority, appointed a valuer to determine the value of those specified assets and thereafter an another valuer was also appointed for cross verification of certain back-up documents, details and indirect costs related thereto, so that to arrive at the correct valuation for compensation against those assets. Moreover, the Company had also earlier approached the Nominated Authority/Ministry to reconsider the compensation, determined by the previous officer holding charge of office of Nominated Authority, for land and some other major assets and the final amount thereof is yet to be decided.

In the meantime, JSW Steel Limited ('JSW') had been declared as successful bidder for Parbatpur Coal Block in "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015" and vesting order dated June 08, 2023 was issued by the Ministry in their favour. JSW, as being claimed by them, took over the physical possession of said coal block and requested the Company to initiate negotiations for utilization of movable property/ assets used in coal mining. Pursuant to this, the Company has submitted that the matter is sub-judice and pending decision thereof, it is premature to initiate such negotiations at this stage.

On July 15, 2025, the Nominated Authority ('NA') has passed a Provisional Compensation Order of even date ('Provisional Order') declaring additional compensation of Rs. 47610.62 lakhs against shaft and incline and certain other mine infrastructure and Rs. 2260.31 lakhs against land aggregating to Rs. 49870.93 lakhs in favour of the Company. Comments/ objections sought by the Nominated Authority from the Company, SAIL and JSW in respect of the Provisional Order have been submitted for their consideration. Subsequently, after considering the comments/objections so received, NA passed a compensation order dated November 19, 2025 ('Compensation Order') and determined that Rs. 25304.42 lakhs is payable as compensation towards 'hard cost' of shafts and inclines and certain other mine infrastructure. JSW has been directed to deposit the amount of Rs. 19675.74 lakhs being the aggregate amount of the compensation as above. The compensation towards soft costs of shaft and incline and land is pending determination as on this date and will therefore be decided by NA in due course of time. It has further been directed that the differential cost for preparation of updated Geological Report may be mutually settled between the company and JSW after verification from CMPDIL. At present, JSW has since submitted a bank guarantee of the amount, directed to be deposited as above, to the NA. The CMSP Act also provides for negotiation and decide mutually between the Company and JSW, the compensation amount towards the cost of movable assets not declared as mine infrastructure.

JSW meanwhile filed two petitions, seeking 'stay' and challenging the Compensation Order before the Tribunal, under the CMSP Act, at Ranchi ("Tribunal"). The Tribunal denied JSW's petition seeking 'stay' of the Compensation Order, vide an order dated January 21, 2026. Thereafter, on a petition being filed against the said denial, the Hon'ble Jharkhand High Court, vide order dated January 21, 2026 granted conditional stay against the Compensation Order, subject to JSW depositing 50% of the amount i.e. 9837.87 lakhs as directed by NA and the same has been deposited by JSW.

On an application filed before the Tribunal vide order dated March 19, 2026, has allowed the withdrawal of the amount so deposited on submission of unconditional and irrecoverable Bank Guarantee ("BG") of an equivalent amount. Pending decision on the matter, the amount so received on submitting the BG have been recognised and disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Moreover, the Company's petition before Hon'ble High Court of Delhi, filed in earlier year, for declaration of certain assets as mine infrastructure and determination of the amount of the compensation for the coal block, pertaining to mine infrastructure and land etc., so as to arrive at the total amount of compensation against entire coal block in terms of the CMSP Act read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi, is also being actively pursued and the same is pending adjudication as on this date.

Pending finalisation of the matter as above, no adjustment for the amount of the compensation has been given effect to and various balances pertaining to said mine, as appearing in the books of accounts, have been dealt with as follows:

(i) Rs.128884.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the Company has been continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;

(ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9514.74 lakhs have been considered as other recoverable under current assets; and

(iii) Compensation of Rs. 8312.34 lakhs have so far been received. Further net realisations/claims against sale of assets, advances, etc. in this respect aggregates to Rs. 2090.04 lakhs. Bank guarantee amounting to Rs. 920.00 lakhs has been given against the compensation received.

(iv) Rs. 9837.87 lakhs received against Bank Guarantee have been disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Necessary disclosures and adjustments arising with respect to above, pending determination of the claim will be given effect to on the finalisation and acceptance of the amount thereof.

Sub Para (b) - Investment in ESLinclude 17334999 equity shares of Rs. 10 each in ESL amounting to Rs. 4059.85 lakhs as on March 31, 2026which were pledged with the consortium of lenders of ESL (lenders) and the said pledge was not released by the lenders even after the settlement of their debt as per the approved resolution plan as above.The notices issued by the lenders for invocation of pledge of company's investment was set aside by the Hon'ble High Court at Kolkata in the earlier year and the company's plea for release of such pledge is pending before the said Hon'ble High Court.

in the earlier years, certain land amounting to Rs. 29493.58 lakhs of the company, situated at Elavur, Tamil Nadu, were mortgaged to an another lender of ESL viz SREI Infrastructure Finance Limited ('SREI') and SREI had subsequently assigned it's right against the said Land to an Asset Reconstruction Company ('ARC') although the claims of the said lender were fully discharged by ESL as per the Resolution Plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata. Subsequently, the ARC had issued SARAFESI Notice and taken the symbolic possession of the said land. The Company had disputed the alleged assignment of the loan by the lender and as directed by the Hon'ble Supreme Court had filed an application before the Debt Recovery Tribunal ('DRT'), Chennai for setting aside the SARAFESI actions and release of the title deeds of the land which vide order dated April 08, 2022 (uploaded on April 27, 2022) had been dismissed by DRT. On filing the appeal before the Debt Recovery Appellate Tribunal ('DRAT') against the order of DRT, DRAT has directed the Company to deposit 50% of the SARAFESI demand i.e. Rs. 29355.04 lakhs against which revision application under Article 227 of the Indian Constitution and a Writ Application under Article 226 of Indian Constitution has been filed before Hon'ble Madras High Court and the matter is pending before the said court.

Earlier, the ARC had also filed an application before Hon'ble NCLT, Cuttack for initiation of Corporate Insolvency and Resolution Process ('CIRP') against the Company which had been decided in the favour of the Company vide NCLT order dated June 24, 2022 ('the Order'). The said order on being challenged by ARC has been upheld by Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated January 24, 2024. The Judgement of NCLAT was challenged before Hon'ble Supreme Court of India. Hon'ble Supreme Court vide its Judgement dated January 6, 2026 confirmed that the Company is not a guarantor for financial facilities availed by ESL. Hence, no CIRP Proceedings can be initiated against the Company. However, Hon'ble Supreme Court has also held that the approval and / or implementation of the Resolution Plan of Vedanta Limited for ESL does not result in extinguishment of the entire debt so as to bar any claim against the

Third-Party Security Providers. The Company is contemplating legal option of filing a Review Application before Hon'ble Supreme Court of India.

Pending finalization of the matter, these assets have been carried forward at their respective book value.

(iii) Auditors' Comments on (i) or (ii) above:

As stated herein above, the impact with respect to above and consequential adjustments cannot be ascertained and as such cannot be commented upon by us.

III. Signatories :

CEO / Managing Director	Sunil Katial *(Whotetime Director and Group Chief Executive Officer)*
CFO	Ashutosh Agarwal *(Wholetime Director and Chief Financial Officer)*
Audit Committee Chairman	Jinendra Kumar Jain (Audit Committee Chairman)
Statutory Auditor	For Lodha & Co LLP *Chartered Accountants* Firm's Registration No: 301051E / E300284
	R. P. Singh *(Partner)* Membership No: 052438

Place : Kolkata
Date : May 18, 2026

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To the Members of Electrosteel Castings Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Electrosteel Castings Limited (hereinafter referred to as the "Company" or "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its Joint Ventures, which comprise the consolidated balance sheet as at March 31, 2026, the consolidated statement of profit and loss including the statement of other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matter paragraph below, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2026, and their consolidated profit (including other comprehensive income), its consolidated statement of cash flows and consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

Attention is invited to the following notes to the accompanying Consolidated financial statements:

a) Note 52 regarding cancellation of coal block allotted to the parent in earlier year and adjustments to be given effect to in respect of the claims made by the parent, amount determined, awarded/received so far in this respect and required disclosures/ adjustments in terms of Ind AS with respect to the carrying amounts of the property, plant and equipment, capital work in progress, inventory and balances lying under other heads of account and carried forward pending determination of the amount of claim in this respect as stated in the said note; and

b) Note 9.1(a) in respect of parent's investment in the equity shares of ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL, and which was set aside by Hon'ble High court at Kolkata and the matter is currently pending before the said court. Further, as stated in Note 9.1(b) dealing with mortgage of Land at Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and thereby symbolic possession of the said land was taken by the said party. The matter has been disputed by the parent and as the matter is currently pending before DRAT and Hon'ble Madras High Court as stated in the said note is currently sub-judice and pending final adjudication.

c) Pending finalization of the matters dealt with in (a) and (b) above, required disclosures, adjustments and impacts thereof are presently not ascertainable and as such cannot be commented upon by us.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirement prescribed under the provisions of the Companies Act, 2013 that are relevant to our audit of the consolidated financial statements in India, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies act, 2013. We believe that the audit evidence obtained by us along with the consideration of auditors' report referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion paragraph of our report, we have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statement section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedure designed to respond to our assessment of the risk of material misstatement of the consolidated financial statement. The result of audit procedures performed by us and by other auditors of component not audited by us, as reported by them in their Auditors' Report furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements. However, the below mentioned key audit matters pertains to Parent as the other auditors of the component have not given any key audit matters in their reports.

Independent Auditors' Report *(Contd.)*

Key Audit Matters	Addressing the key audit matters
Claims by or against the company, litigations and disclosure of contingent liabilities and assets <u>(as described in note 6.1, 19.4, 26.1, 30, 52 and 55 of the Consolidated financial statements)</u>	
There are substantial amount of claims made by the parent including claims against Wagon Investment Scheme, Railway Siding, Parbatpur Coal Mines etc. which are pending as on this date as disclosed in Note 52 and 55(ii). The parent is also exposed to number of significant claims and litigations involving various matters pending before judicial authorities. This includes various matters related to Direct and Indirect taxes, compensation etc. as dealt with in Note 6.1, 26.1, 30.1 and 55(i) pending before various judicial authorities as on this date. The assessment of the likelihood and quantum of any liability with respect to these matters are matter of judgmental due to the uncertainty involved therein. We considered these to be a key audit matter, since the accounting and disclosure of claims and litigations are complex, technical in nature and judgmental and the impact thereof considering the amount involved are or can be material to the understanding of the consolidated financial statements.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of accounting for claims made by or against the parent and disclosures there against include the following: • Understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations under the relevant laws and regulations and the internal control environment relating to the identification, recognition and measurement of amount of claims made by or against the parent and disclosure for the provisions, litigations, contingent liabilities and contingent assets in the consolidated financial statements; • Analysed significant changes/ updates from previous periods and obtained a detailed understanding of the nature, status and possible implication of the underlying litigations. Assessed recent judgements passed by the judicial authorities on the relevant matter; • Discussed the status of the material litigations and potential implication of the matters as reported and placed before the Board of Directors of the Parent; • Evaluating management's assessment by understanding precedents set in similar cases and analysed the reliability of management's past estimates/judgements. • Reviewed the opinions and views of the external legal experts and in-house legal team and other evidences to corroborate management's assessment of the risk profile in respect of claim pending ascertainment as on this date. These being technical in nature reliance has been placed on the legal interpretations and opinions provided on the matter; and • Assessment of the adequacy of management's assumptions and estimates related to the claims both by or against the company, underlying dispute and disclosures made in the financial statement. Also, references have been made in the Auditors' Report wherever relevant and appropriate.
Verification of Inventory and Valuation thereof <u>(as described in note 14 and 3.8 of the consolidated financial statements)</u>	
The Inventory of the Group as on March 31, 2026 amounts to Rs. 23,98,19.00 lakhs which forms around 25.35% of the total assets of the Group. This includes Parent's bulk materials such as coal, coke, iron ore etc., which are susceptible to handling loss, moisture loss/gain, spillage etc. and determination of the same requires estimation based on experience and technical expertise. Further, in case of DI Pipes and Fittings these are based on standard weight derived based on experience and technical expertise considering the sizes of finished product measured in terms of pieces. We determined this to be a matter of significance to our audit due to the quantum of amount and estimations involved.	Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of determination of year-end inventory and valuation thereof includes the following: • Evaluating the accounting policy followed for valuation of inventory and appropriateness thereof with respect to relevant Indian Accounting Standards in this respect; • The process followed for physical verification have been reviewed. This includes deployment of an Independent Agency by the parent for verification of Bulk Materials during which we were present to oversee the process of the verification; • We reviewed the report submitted by external agencies and obtained reasons/explanation for variations observed by then with respect to book stock, considering the materiality for variations taking into account the reasonable allowance for volumetric measurement; • We examined the conversion rates used for conversion of stock including computation of unrealised profit in compliance with the Indian Accounting standard; • Understanding and testing the design and operating effectiveness of controls as established by the management in determination of cost of production and net realizable value of inventory and consistency with respect to the policy followed in this respect; and

Independent Auditors' Report *(Contd.)*

Key Audit Matters	Addressing the key audit matters
	• We evaluated the policy for valuation, processes/ methodologies involved and disclosures made in the consolidated financial statements in this respect and checks being performed at multiple levels and verified the valuation arrived for the different items and class of Inventory to ensure that the valuation is consistent as per the policy followed and disclosed in this respect.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the Report of the Directors and the annexures thereto (namely Management Discussion and Analysis Report, Report on performance and financial position of the Subsidiaries and Joint Ventures, Report on Corporate Governance, Annual Report on Corporate Social Responsibility Activities, Business Responsibility and Sustainability Report and Particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo) but does not include the Consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with financial information of the subsidiaries audited by other auditors, to the extent it relates to those entities and, in doing so, place reliance on the work of other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information as it relates to subsidiaries is traced from other financial information audited by other auditors. If based on the work we have performed on the other information that we have obtained prior to the date of this auditors' report, 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance comprising of consolidated profit or loss and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Joint Venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

The respective Management and the Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditors' Report *(Contd.)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements of which we are the Independent Auditors. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the Independent Auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Other Matters

a) We did not audit the consolidated/standalone financial statements of the following subsidiary companies, whose financial statements reflect total assets as at March 31, 2026, total revenue, net profit after tax, total comprehensive income and net cash flow/(outflow) for the year ended as on that date, considered as under in the consolidated financial statements based on financial statements audited by other auditors:

(Rs. In Lakhs)

Name of the Subsidiary	Total Assets as at March 31, 2026	For the year ended March 31, 2026			
		Total Income	Net Profit/ (Loss) after tax	Total Comprehensive Income	Net Cash Inflow/(Outflow)
Electrosteel Europe S.A.	7,49,34.73	7,61,57.26	(6,67.89)	15,13.66	6,29.66
T.I.S. Services S.P.A (w.e.f. July 29, 2025)*	3,91,63.14	2,41,14.51	13,35.45	22,21.57	23,15.37
Electrosteel Trading S.A.U. Spain	2,55.55	3,34.93	(53.58)	(29.31)	(26.03)
Electrosteel Casting Gulf FZE	44,63.83	76,88.84	3,91.89	5,38.30	1,52.64
Electrosteel Bahrain Holding Company S.P.C*	1,23,39.33	2,14,19.79	1,38.03	6,75.50	1,26.68
Electrosteel Doha for Trading LLC	31,38.46	23,10.03	1,09.53	2,84.35	18.84
Electrosteel Algeria SPA	3,81.60	2,06.49	1,19.36	1,42.93	(2.76)
Electrosteel Castings (UK) Limited	3,00,36.88	3,27,47.79	22,62.22	30,53.98	27,54.46
Electrosteel USA LLC*	2,02,38.44	1,82,96.03	10,40.22	15,44.11	6,38.71
Electrosteel Brasil Ltda. Tubos e Conexoes Duteis	–	–	–	(16.63)	–
Singardo International Pte Limited*	1,01,39.71	62,61.62	18.85	8,69.18	2,14.57
Total	**19,50,91.67**	**18,95,37.29**	**46,94.08**	**1,07,97.64**	**68,22.14**

*consolidated financial statement including stepdown subsidiaries

Independent Auditors' Report *(Contd.)*

These consolidated financial statements have been audited by other auditors of respective subsidiaries except Electrosteel Brasil Ltda. Tubos e Conexoes Duteis, whose reports have been furnished to us by the Parent's Management and our opinion on the consolidated financial statements of the Parent, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, and our report on other legal and regulatory requirements, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraphs above.

The above-mentioned subsidiaries are located outside India whose annual financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and have been audited by their auditors under generally accepted standards and practices applicable in the respective countries.

The financial statement of Electrosteel Brasil Ltda. Tubos e Conexoes Duteis which are not required to be audited as per the relevant laws of the host country and which as such are not material to the overall operations of the Group have been taken as certified by the Parent's Management and audited by an Independent Chartered Accountant.

The financial statements of aforesaid subsidiaries have been converted to Indian rupees (INR) and compiled as per the accounting principles generally accepted in India by the Parent's management and carrying out the adjustments ('the subsidiary statements') required for the purpose of incorporating these in the consolidated financial statements of the Group and reliance has been placed by us on these for the purpose of our review. These subsidiary statements have been taken as converted and compiled by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the subsidiary statements and additional disclosures as prepared and certified by the management of the Parent and reliance has been placed by us on these for the purpose of reporting on the consolidated financial results of the Group.

b) As stated in Note 59(a), T.I.S. Service S.P.A ("TIS") has become the wholly owned subsidiary of the Group with effect from July 29, 2025. Accordingly, as required in terms of the Ind AS 103 'Business Combination', the parent has carried out fair valuation of the assets and liabilities taken as per the financial statements of the said subsidiary as on July 29, 2025 ('the acquisition date') as reviewed by the statutory auditors of TIS. The said valuation has been carried out by an Independent Valuer ('final valuation report') appointed in this respect and the values of the assets and liabilities so arrived at have been taken into consideration for giving effect to the said acquisition as on the said date.

Further, as required in terms of Ind AS 110 'Consolidated Financial Statements' for arriving at the results of the operations for the period subsequent to the acquisition date till the year ended on March 31, 2026, effect of the valuation report has been considered for the purpose of consolidated financial results of the Group. Reliance has been placed by us with respect to the financial statements for the period ended July 29, 2025 as reviewed by the statutory auditors of the said subsidiary and the final valuation report of the assets and liabilities of TIS as on that date as valued and reported upon by an Independent Valuer appointed for the purpose.

c) As stated in Note 8.1 of the consolidated financial statement, Investment in North Dhadhu Mining Company Private Limited, a Joint Venture of the Parent have been impaired and fully provided for in the consolidated financial statement and therefore, the financial statement of said company have not been incorporated in these consolidated financial statements.

d) The other Auditors of the aforesaid components have not reported Key Audit Matters in their Auditors' Report. In absence of which we are unable to incorporate the matters for the Group and accordingly these matters have been reported for the Parent Company only.

e) Our Opinion on the Consolidated Financial Statement is not modified in respect of the matters stated in (a) to (d) above and the reliance placed by us on the work done by and the reports of other auditors and the financial statements certified by the parent's management.

Report on Other Legal and Regulatory Requirements

1. With respect to matters specified in Paragraph 3(xxi) of the Companies (Auditors' Report) Order, 2020 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanation given to us and based on our examination, we report that there are no companies in the group other than the parent included in the consolidated financial statement which are companies incorporated in India to whom the Order is applicable and therefore reporting under Clause 3(xxi) of the Order is not applicable.

2. As required by Section 143(3) of the Act, based on our we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Parent so far as it appears from our examination of those books, returns and the reports of the other auditors;

Independent Auditors' Report *(Contd.)*

c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) The matters described in the Basis for Qualified Opinion paragraph above in the event of being decided unfavorably, in our opinion, may have an adverse effect on the functioning of the Parent included in the Group;

f) On the basis of the written representations received from the directors of the parent being the company incorporated in India as on March 31, 2026 taken on record by the Board of Directors of the Parent, none of the directors of the Parent are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and

h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Parent company since the subsidiaries considered for consolidation are incorporated outside India. This does not include the report on one joint ventures company for the reasons stated in Note 8.1 of the consolidated financial statements. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Parent's internal financial controls with reference to consolidated financial statements.

3. With respect to the other matters to be included in the Auditors' 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. Except for the matters dealt with in the basis for Qualified Opinion paragraph impact whereof are presently unascertainable, the Group has disclosed the impact of pending litigations (other than those already recognized in the consolidated financial statements) on its consolidated financial position of the Group as required in terms of the Ind AS and provisions of the Companies Act, 2013– Refer Note 55(i) to the Consolidated financial statements;

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 49(d) of the consolidated financial statements; and

iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Parent.

iv. (a) The Management of the parent being the company incorporated in India whose financial statement have been audited under the Act 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 Parent 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 Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the parent being the company incorporated in India whose financial statement have been audited under the Act 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 Parent from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures and generally accepted auditing practices followed in terms of SAs that have been considered reasonable and appropriate in the

Independent Auditors' Report *(Contd.)*

circumstances in respect of transactions undertaken during the year, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

v. The dividend paid by the Parent as stated in Note 22 of the consolidated financial statements, and the dividend proposed by the parent during the year are in accordance with section 123 of the Act; and

vi. Based on the verification carried out by an Independent Professional appointed for the purpose and our examination of the data and details provided to us, which includes test checks and samples obtained by us in this respect and being a technical matter placing reliance on the report submitted by the professional, we report that the Parent has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the said audit trail has been preserved by the Parent as per the statutory requirements for record retention.

4. With respect to the reporting under section 197(16) of the Act to be included in the Auditors' Report, in our opinion and according to the information and explanations given to us, the remuneration (including sitting fees and commission) paid by the parent being the company incorporated in India to its Directors during the current year is in accordance with the provisions of section 197 of the Act and is not in excess of the limit laid down therein.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No.: 301051E/E300284

R. P. Singh
Partner
Membership No. : 052438
UDIN: 26052438KUSQJO7852

Place : Kolkata
Date : May 18, 2026

Annexure "A" to the Independent Auditors' Report

TO THE MEMBERS OF ELECTROSTEEL CASTINGS LIMITED

(Referred to in paragraph 2(h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group and it's joint ventures as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Electrosteel Castings Limited (hereinafter referred to as "the Parent") being the company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent being the company incorporated in India is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent'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 internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statement 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 with reference to consolidated financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Parent has maintained, in all material respects, adequate and effective internal financial controls with reference to the consolidated financial statements as of March 31, 2026, based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Control with reference to consolidated financial statement doesn't include our opinion with respect to one joint ventures as stated in Para(h) of Report on other legal and regulatory requirements for reasons stated in Note 8.1 of the consolidated financial statements.

For Lodha & Co LLP,
Chartered Accountants
Firm's ICAI Registration No.: 301051E/E300284

R. P. Singh
Partner
Membership No. : 052438
UDIN: 26052438KUSQJO7852

Place : Kolkata
Date : May 18, 2026

Consolidated Balance Sheet as at March 31, 2026

(Rs. in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non–Current Assets			
(a) Property, Plant and Equipment	5	**31,24,08.09**	30,18,06.87
(b) Capital work-in-progress	53	**11,85,68.75**	12,48,89.33
(c) Goodwill on consolidation		**2,16.03**	2,16.03
(d) Other Intangible assets	6	**17,10.85**	4,27.61
(e) Right-of-use assets	7	**68,44.55**	77,16.03
(f) Investments in Joint ventures	8	**–**	–
(g) Financial Assets			
(i) Investments	9	**46,47.25**	49,33.94
(ii) Loans	10	**5,00.61**	1,10.46
(iii) Other financial assets	11	**2,87,67.93**	6,23,72.33
(h) Non-current tax assets (Net)	12	**18,80.28**	7,95.76
(i) Other non-current assets	13	**4,44.75**	7,28.86
		47,59,89.09	50,39,97.22
Current Assets			
(a) Inventories	14	**23,98,19.00**	24,63,97.19
(b) Financial Assets			
(i) Investments	15	**5,31,30.47**	95,88.03
(ii) Trade receivables	16	**10,70,60.42**	14,82,74.45
(iii) Cash and cash equivalents	17	**2,94,41.45**	1,67,35.31
(iv) Bank balances other than (iii) above	18	**38,28.40**	38,27.76
(v) Other financial assets	19	**2,01,91.03**	2,21,47.55
(c) Other current assets	20	**1,66,84.19**	1,85,64.09
		47,01,54.96	46,55,34.38
Total Assets		**94,61,44.05**	96,95,31.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	21	**61,81.84**	61,81.84
(b) Other Equity	22	**58,61,50.40**	57,19,77.52
(c) Non-Controlling Interest	23	**1,04.01**	1,12.66
		59,24,36.25	57,82,72.02
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	**2,53,69.78**	2,18,21.42
(ii) Lease liabilities	25	**35,44.37**	48,84.53
(iii) Other financial liabilities	26	**5,59,71.29**	5,59,40.29
(b) Provisions	27	**69,59.56**	48,98.69
(c) Deferred tax liabilities (Net)	28	**2,47,42.13**	2,34,72.56
(d) Other non-current liabilities	29	**3,55.54**	3,74.07
(e) Non-current tax liabilities (Net)	30	**20,72.67**	19,69.79
		11,90,15.34	11,33,61.35
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	31	**12,58,97.58**	18,41,46.78
(ii) Lease liabilities	25	**12,94.15**	16,92.57
(iii) Trade payables	32		
(a) Dues of micro and small enterprises; and		**16,00.83**	16,04.00
(b) Dues other than micro and small enterprises		**5,36,43.16**	5,40,48.16
(iv) Other financial liabilities	33	**1,93,92.55**	80,88.88
(b) Other current liabilities	34	**2,51,77.82**	2,42,69.95
(c) Provisions	35	**68,09.59**	31,67.35
(d) Current tax liabilities (Net)	36	**8,76.78**	8,80.54
		23,46,92.46	27,78,98.23
Total Equity and Liabilities		**94,61,44.05**	96,95,31.60

Material accounting policies and other accompanying notes (1 to 64) form an integral part of the consolidated financial statements.

As per our report of even date

For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(Rs. in lakhs)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations	37	**59,18,02.44**	73,19,96.71
Other Income	38	**2,14,57.37**	1,23,11.11
Total income		**61,32,59.81**	74,43,07.82
EXPENSES			
Cost of materials consumed	39	**28,74,73.19**	36,44,30.45
Purchases of Stock-in-Trade	40	**1,64,11.64**	1,61,92.29
Changes in inventories of finished goods, Stock-in-Trade and process stock	41	**1,37,57.84**	(1,96,53.80)
Employee benefits expense	42	**5,95,24.27**	5,51,86.85
Finance costs	43	**1,43,74.17**	1,60,70.87
Depreciation and amortisation expense	44	**1,72,55.94**	1,42,05.26
Other expenses	45	**17,87,37.83**	21,22,64.14
Total expenses		**58,75,34.88**	65,86,96.06
Profit before exceptional items and tax		**2,57,24.93**	8,56,11.76
Exceptional Items	46	**38,38.26**	–
Profit before tax		**2,18,86.67**	8,56,11.76
Tax expense:	47		
Current tax		**43,82.62**	2,16,28.36
Deferred tax		**12,53.03**	(69,87.88)
Income tax pertaining to earlier years		**1,03.49**	–
Profit after tax		**1,61,47.53**	7,09,71.28
Add:-Share of Profit/(Loss) in Joint Venture (Net)		**–**	–
Profit for the year		**1,61,47.53**	7,09,71.28
Profit for the year attributable to:			
– Owners of the Parent		**1,61,43.59**	7,09,55.79
– Non-Controlling Interest		**3.94**	15.49
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	48		
a) Remeasurements of the defined benefit plans		**5,77.18**	(1,18.31)
b) Equity instruments through other comprehensive income		**(2,86.69)**	(10,31.43)
(ii) Income tax relating to items that will not be reclassified to profit or loss	47.3	**(1,45.34)**	28.88
B (i) Items that will be reclassified to profit or loss	48		
Foreign currency translation differences		**61,03.71**	8,70.28
(ii) Income tax relating to items that will be reclassified to profit or loss		**–**	–
Other Comprehensive Income for the year (net of tax)		**62,48.86**	(2,50.58)
Other Comprehensive Income for the year attributable to:			
– Owners of the Parent		**62,48.86**	(2,50.58)
– Non-Controlling Interest		**–**	–
Total Comprehensive Income for the year (comprising of profit and other comprehensive income for the year)		**2,23,96.39**	7,07,20.70
Total Comprehensive Income for the year attributable to:			
– Owners of the Parent		**2,23,92.45**	7,07,05.21
– Non-Controlling Interest		**3.94**	15.49
Earnings per equity share of par value of Re. 1 each.	51		
(1) Basic (Rs.)		**2.61**	11.48
(2) Diluted (Rs.)		**2.61**	11.48

Material accounting policies and other accompanying notes (1 to 64) form an integral part of the consolidated financial statements.

As per our report of even date

For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Consolidated Statement of Cash Flow for the year ended March 31, 2026

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		**2,18,86.67**		8,56,11.76
	Adjustment to reconcile profit before tax to net cash generated from operating activities				
	Add : Depreciation and amortisation expenses	**1,72,55.94**		1,42,05.26	
	Sundry balances/Advances written off	**44.78**		26.55	
	Bad Debts	**50.79**		10.09	
	Provision for inflationary and other risks	-		72.35	
	Fair Valuation of derivative instruments through Profit and Loss (Net)	**17,15.94**		5,43.08	
	Finance costs	**1,43,74.17**	**3,34,41.62**	1,60,70.87	3,09,28.20
			5,53,28.29		11,65,39.96
	Less : Interest Income	**74,01.39**		57,16.18	
	Deferred Income	**25.64**		6,72.81	
	Net gain on derecognition of financial assets at amortised cost	**0.65**		4.72	
	Profit on sale of Current Investments (Net)	**6,14.14**		4,55.71	
	Profit/(Loss) on sale/discard of Property, Plant and Equipments (Net)	**10,33.49**		(13,82.19)	
	Credit loss allowance on trade receivables/advances/others	**2,16.42**		(3.60)	
	Net gain /(loss) on Fair valuation of Current Investments	**8,72.98**		8,65.91	
	Unrealised foreign exchange fluctuation and translation	**13,49.88**		8,93.37	
	Provisions / Liabilities no longer required written back	**99,72.19**	**2,14,86.78**	13,64.19	85,87.10
	Operating Profit before Working Capital changes		**3,38,41.51**		10,79,52.86
	Movements in working capital				
	Less : Increase/(Decrease) in Inventories	**(2,06,40.37)**		1,63,51.02	
	Increase/(Decrease) in Trade Receivables	**(5,47,75.16)**		1,08,23.69	
	Increase/(Decrease) in Loans and Advances, other financial and non-financial assets	**(50,24.80)**		8,43.64	
	(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	**(67,23.59)**	**(8,71,63.92)**	98,49.71	3,78,68.06
	Cash generated From Operations		**12,10,05.43**		7,00,84.80
	Less : Direct Taxes paid (Net)		**63,42.23**		2,20,40.20
	Net cash flow from Operating Activities (A)		**11,46,63.20**		4,80,44.60
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payment against Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	**(1,30,09.08)**		(2,77,65.27)	
	Realisation against Property, Plant and Equipment	**24,33.81**		3,64.69	
	Purchase of Current Investments	**(39,71,33.54)**		(38,55,80.71)	
	Proceeds on redemption/sale of Current Investments	**35,50,78.22**		39,18,34.65	
	Consideration paid against business acquisition (refer note 59)	**(1,19,19.10)**		(41,48.97)	
	Interest received	**99,18.83**		27,66.58	
	Amount received against claim for coal mines	**98,37.87**		-	
	Increase/(Decrease) in non current financial liabilities	–		3,08,96.87	
	(Investment)/Redemption of fixed deposits against non current financial liabilities	**3,12,83.08**		(3,08,96.87)	
	Movement in bank balances other than cash and cash equivalents	**(79.72)**	**(1,35,89.63)**	83,38.59	(1,41,90.44)
	Net Cash flow from Investing activities (B)		**(1,35,89.63)**		(1,41,90.44)

Consolidated Statement of Cash Flow for the year ended March 31, 2026 (Contd.)

(Rs. in lakhs)

	Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Payment to Non- Controlling Interest	**(23.77)**		(59.49)	
	Proceeds/(Repayments) from short term borrowings (net)	**(6,10,88.18)**		(95,13.35)	
	Repayment of Long Term borrowings	**(2,19,62.18)**		(1,33,19.77)	
	Proceeds from Long Term borrowings	**1,67,50.00**		–	
	Interest and other borrowing cost paid	**(1,36,12.91)**		(1,64,43.36)	
	Payment against Lease Liabilities	**(14,45.13)**		(5,40.01)	
	Dividend paid	**(86,54.58)**	**(9,00,36.75)**	(55,63.66)	(4,54,39.64)
	Net cash flow from Financing Activities (C)		**(9,00,36.75)**		(4,54,39.64)
D.	**Net Increase/ (decrease) in Cash and Cash equivalents (A+B+C)**		**1,10,36.82**		(1,15,85.48)
E.	**Cash and Cash equivalents at the beginning of the year**		**1,67,35.31**		2,79,08.09
F.	**Cash and Cash equivalents acquired on Business Combination (Refer note 59)**		**16,69.32**		4,12.70
G.	**Cash and Cash equivalents at the end of the year**		**2,94,41.45**		1,67,35.31

Note :

(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows' as noted under Companies Act, 2013.

(b) Ind AS 7 Cash flow statements requires the entities to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, opening and closing balances in liabilities arising from financing activities and changes in this respect are as follows:

Particulars	As at March 31, 2025	Inflow/ (outflow) of Cash Flows (net)	Non Cash Changes		As at March 31, 2026
			Foreign Exchange movement, Amortised cost and Other Adjustments	Current/ Non Current classification	
Borrowings-Non Current (refer note 24)	2,18,21.42	1,69,92.71	41,89.00	(1,76,33.35)	**2,53,69.78**
Borrowings-Current (refer note 31)	18,41,46.78	(8,32,93.07)	74,10.52	1,76,33.35	**12,58,97.58**
Lease Liabilities (refer note 25)	65,77.10	(14,45.13)	(2,93.45)	–	**48,38.52**

(c) Cash flow from Suppliers Finance Arrangement

Particulars	As at March 31, 2025	Cash Flows	Foreign Exchange Movement/ Other adjustment	As at March 31, 2026
Carrying amount of Financial Liabilities that are presented in trade and other payables	15,54.76	7,06.23	–	**22,60.99**

Significant accounting policies and other accompanying notes (1 to 64) form an integral part of the consolidated financial statements.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Consolidated Statement of changes in Equity for the year ended March 31, 2026

A. Equity Share Capital

As at March 31, 2026

(Rs. in lakhs)

As at April 01, 2025	Changes in equity share capital during the year	As at March 31, 2026
61,81.84	**–**	**61,81.84**

As at March 31, 2025

(Rs. in lakhs)

As at April 01, 2024	Changes in equity share capital during the year	As at March 31, 2025
61,81.84	–	61,81.84

B. Other Equity

As at March 31, 2026

(Rs. in lakhs)

Particulars	Reserves & Surplus					Items of other comprehensive income			Total
	Capital Reserve	Securities Premium	General Reserve	Statutory Reserve	Retained Earnings	Re–measurement of defined benefit plans	Equity Instrument through other Comprehen–sive Income	Exchange difference on translating the financial statements of foreign operations	
As at April 01, 2025	**(3,84,20.74)**	**11,75,35.27**	**14,80,65.95**	**7,23.26**	**33,47,50.81**	**–**	**24,40.86**	**68,82.11**	**57,19,77.52**
Total Comprehensive Income for the year	**–**	**–**	**–**	**–**	**1,61,43.59**	**4,31.91**	**(2,86.76)**	**61,03.71**	**2,23,92.45**
Transferred to Retained Earnings	**–**	**–**	**–**	**–**	**4,31.91**	**(4,31.91)**	**–**	**–**	**–**
Dividend on Equity shares	**–**	**–**	**–**	**–**	**(86,54.58)**	**–**	**–**	**–**	**(86,54.58)**
Acquisition of TIS Service S.p.A (refer note 59 (a) and 59 (b))	**4,35.01**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**4,35.01**
Exchange difference on translation of foreign operations	**–**	**–**	**–**	**99.67**	**–**	**–**	**–**	**(99.67)**	**–**
As at March 31, 2026	**(3,79,85.73)**	**11,75,35.27**	**14,80,65.95**	**8,22.93**	**34,26,71.73**	**–**	**21,54.10**	**1,28,86.15**	**58,61,50.40**

Consolidated Statement of changes in Equity for the year ended March 31, 2026 (Contd.)

B. Other Equity (Contd.)

As at March 31, 2025

(Rs. in lakhs)

Particulars	Reserves & Surplus					Items of other comprehensive income			Total
	Capital Reserve	Securities Premium	General Reserve	Statutory Reserve	Retained Earnings	Re–measurement of defined benefit plans	Equity Instrument through other Comprehen–sive Income	Exchange difference on translating the financial statements of foreign operations	
As at April 01, 2024	(4,01,53.07)	11,75,35.27	14,80,65.95	7,07.41	26,94,24.66	–	34,95.74	60,27.68	50,51,03.64
Total Comprehensive Income for the year	–	–	–	–	7,09,55.79	(88.53)	(10,32.33)	8,70.28	7,07,05.21
Transferred to Retained Earnings (refer note 22.8)	–	–	–	–	(65.98)	88.53	(22.55)	–	–
Dividend on Equity shares	–	–	–	–	(55,63.66)	–	–	–	(55,63.66)
Acquisition of Singardo International Pte. Limited (refer note 59(c))	17,32.33	–	–	–	–	–	–	–	17,32.33
Exchange difference on translation of foreign operations	–	–	–	15.85	–	–	–	(15.85)	–
As at March 31, 2025	(3,84,20.74)	11,75,35.27	14,80,65.95	7,23.26	33,47,50.81	-	24,40.86	68,82.11	57,19,77.52

Refer Note no. 22 for nature and purpose of reserves.

Material accounting policies and other accompanying notes (1 to 64) form an integral part of the consolidated financial statements.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

1. Group Information

Electrosteel Castings Limited ('the Company' or 'Parent') is a public limited company in India having its corporate office in Kolkata in the State of West Bengal and registered office at Rajgangpur, District: Sundergarh in the State of Odisha. The Parent along with its subsidiaries (collectively referred to as 'the Group') is engaged in the manufacture, trading and supply of Ductile Iron (DI) Pipes, Ductile Iron Fittings (DIF), and Cast Iron (CI) Pipes as its core business and also produces Pig Iron, Metallurgical Coke, Sponge Iron, Sinter, Cement, Ferro products, Paint and Power along with and incidental to the same. The manufacturing activities of the Parent are spread over five different locations situated at Khardah, Haldia, Bansberia, Srikalahasthi and Elavur. During the year as stated in note 59 the Group has acquired TIS Service S.P.A, a wholly owned subsidiary located at Italy, involved in manufacturing and supply of valves and related equipment. The group primarily caters to the needs of Water Infrastructure Development and its operations are spread across the Indian sub-continent, South East Asia and the Middle East Europe, USA, South America, and Africa by setting up subsidiaries and developing strong relations with customers abroad. The Parent's equity shares are listed on National Stock Exchange of India Limited and BSE Limited.

The Consolidated Financial Statements relates to Electrosteel Castings Limited (or 'Parent') and its subsidiaries and its joint ventures as detailed below:

Investment in Subsidiaries

Name of the Company	Principal Activity	Country of Incorporation	% of holding as at March 31, 2026	% of holding as at March 31, 2025
Electrosteel Europe SA	Trading of DI Pipes and Fittings	France	100%	100%
Electrosteel Algerie SPA	Trading of DI Pipes and Fittings	Algeria	100%	100%
Electrosteel Castings (UK) Limited	Trading of DI Pipes and Fittings	United Kingdom	100%	100%
Electrosteel USA LLC	Trading of DI Pipes and Fittings	United States of America	100%	100%
WaterFab LLC (subsidiary of Electrosteel USA, LLC)	Trading of DI Pipes and Fittings	United States of America	100%	100%
Electrosteel Trading, S.A.U Spain	Trading of DI Pipes and Fittings	Spain	100%	100%
Electrosteel Castings Gulf FZE	Trading of DI Pipes and Fittings	United Arab Emirates	100%	100%
Electrosteel Doha for Trading LLC	Trading of DI Pipes and Fittings	Qatar	97%	97%
Electrosteel Brasil Ltda. Tubos e Conexoes Duteis	Trading of DI Pipes and Fittings	Brazil	100%	100%
Electrosteel Bahrain Holding W.L.L	Commercial and Other Activity	Bahrain	100%	100%
Electrosteel Bahrain Trading W.L.L (subsidiary of Electrosteel Bahrain Holding W.L.L) including 5% shares held through beneficial trust	Trading of DI Pipes and Fittings	Bahrain	100%	100%
Singardo International Pte Limited w.e.f. October 22, 2024	Trading of DI Pipes and Fittings	Singapore	100%	100%
Electrosteel Vietnam Company Limited, (subsidiary of Singardo International Pte Limited w.e.f. October 21, 2025).	Trading of DI Pipes and Fittings	Vietnam	100%	–
TIS Service S.P.A. (refer note 59(a)) w.e.f. July 29, 2025	Manufacture of Valve and Equipmemts	Italy	100%	–
T.I.S. Engineering D.O.O. (subsidiary of T.I.S. Services S.P.A.) (refer note 59(a))	Research & Development of Valve and Equipment	Croatia	100%	–
T.I.S. Polska SP. ZOO (subsidiary of T.I.S. Services S.P.A.) (refer note 59(a))	Marketing and Transportation	Poland	100%	–
T.I.S. Turkey Water Technologies San.Ve Tic.A. (subsidiary of T.I.S. Services S.P.A.) (refer note 59(a))	Manufacture of Valve and Equipmemts	Turkey	100%	–
T.I.S. Nuoval S.r.l. (subsidiary of T.I.S. Services S.P.A. w.e.f. November 04, 2025) (refer note 59(b))	Manufacture of Valve and Equipmemts	Italy	100%	–

Investment in Joint Ventures

Name of the Company	Principal Activity	Country of Incorporation	% of holding as at March 31, 2026	% of holding as at March 31, 2025
North Dhadhu Mining Company Private Limited (refer note 8.1 and 8.3)	Mining and agglomeration of Hard Coal	India	48.98%	48.98%

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

2A. Recent Accounting Developments

2A.1 Application of new and revised standards:

Effective April 01, 2025, the Group has adopted the amendments notified by the Ministry of Corporate Affairs ('MCA' related to Indian Accounting Standard ('Ind AS') 21 ""The Effects of Changes in Foreign Exchange Rates"" which provided guidance for assessing lack of exchangeability between currencies and estimating the spot exchange rate when a currency is not exchangeable. Additional disclosure requirements have also been introduced in such scenarios, including the nature and financial effect of the currency in exchangeability, the estimation methodology used and risks arising therefrom.

Further, provisions of Indian Accounting Standard ('Ind AS') 12 to have also been amended for implementation of International Tax Reforms - Pillar Two Model Rules providing temporary relief from deferred tax accounting for top up tax. Accordingly, an entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two Income Taxes. Also, amendment has been made in Ind AS 7 "Statement of Cash Flows" and Ind AS 107 "Financial Instruments: Disclosures" to provide for disclosure with respect to Supplier Finance Arrangement with the objective to assess how supplier's finance arrangement affect entity's liabilities, cash flow and their effect on the Group's exposure to liquidity risk. The adoption of these amendments to the extent applicable to the Group did not have impact on the profit or loss and earnings per share of the Group for the year.

2A.2 Standards issued but not yet effective:

2A.2 Standards issued but not yet effective:

MCA vide notification dated August 13, 2025 has also amended Ind AS 1 relating to Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8. The Company does not expect this amendment to have an impact on its operations or consolidated financial statements."

2A.3 The Board of Directors of the Parent have approved these Consolidated Financial Statements for issuing to the shareholders of the Parent for their adoption. The revision to these consolidated financial statements is permitted by the Board of Directors of the Parent after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2B Basis for preparation of consolidated financial statements

Consolidation Procedure

The Consolidated Financial Statements have been prepared in accordance with principles laid down in Ind AS 110 on "Consolidated Financial Statements" and Ind AS 28 on "Accounting for Investments in Associates and Joint Ventures" as notified vide Companies (Accounting Standards) Rules, 2015 (as amended).

The consolidated financial statements are prepared using uniform accounting policies like transaction and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to Group Members' financial statements in preparing the consolidated financial statements to ensure conformity within Group's accounting policies.

Subsidiaries

Subsidiaries are entities over which the Group has control and the control is achieved when the group is exposed to, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its:

(a) Power over the investee or holding more than 51% of investee's paid-up share capital.

(b) Exposure or rights to variable returns from its involvement with the investee.

(c) The ability to use its power over the investee to affect its returns.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

The Group reassess whether or not it controls an investee, considering the facts and circumstances indicating that there are changes to one or more of the elements of control given herein above.

Subsidiaries are consolidated from the date, control over the subsidiary is acquired and they are discontinued from the date of cessation of control. The acquisition method of accounting is used to account for business consolidation by the Group.

The Group combines the financial statements of the Parent and its subsidiaries based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealised profits on stocks arising out of intra group transaction are eliminated.

The consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.

Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Parent's owners.

Non-controlling interests are initially measured at proportionate share on the date of acquisition of the recognised amounts of the acquiree's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the proportionate share of subsequent changes in equity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of changes in equity, Consolidated Balance Sheet. Share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Parent's shareholders.

Shares of Non-controlling interest's in the net profit/ (loss) of subsidiaries for the year is identified and adjusted against the revenue of the Group in order to arrive at the net revenue attributable to the owners of the Parent. The excess of loss for the year over the non-controlling interest is adjusted in owner's interest.

Investment in Associates and Joint Ventures

Associate is an entity over which the group has significant influence but no control or joint control. Joint venture is an arrangement whereby the parties have joint control of the arrangement and having right to the net assets of the arrangement. Such investments in its associates and joint venture are accounted for using the equity method in accordance with Ind AS 28 "Accounting for Investments in Associates and Joint Venture". Under the equity method, the investment in an associate and joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate and joint venture since the acquisition date. If the Group's share of the net fair value of the investee's identifiable assets and liabilities exceeds the cost of the investment, any excess is recognised directly in Equity as capital reserve in the period in which the investment is acquired. Goodwill, if any, relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate or joint ventures. Any change in Other Comprehensive Income ('OCI') of investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associates or joint ventures are eliminated to the extent of the interest in the said associate or joint venture.

If the Group's share of losses in associates or joint ventures equals or exceeds its interest in the associates or joint ventures (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint ventures), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates/ joint ventures. If the associate or joint ventures subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of associates and joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each balance sheet date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence or indicator, the Group estimates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and recognises the loss as 'Share of profit/(loss) of associates and Joint Venture' in the Consolidated Statement of Profit and Loss.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Business Combination and Goodwill

The Group except for combination of group entities which are under common control applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition date fair values.

The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve as the case may be. The said goodwill is not amortised, however it is tested for impairment at each balance sheet date and impairment loss, if any is recognised in the consolidated financial statements. For the purpose of impairment testing, goodwill acquired in a business combination is, from the combination date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

In case of combination of entities under common control, business combination are accounted for under pooling of interest method whereby the assets and liabilities are combined at the carrying amount and no adjustments are made to reflect their fair values or recognise any new assets or liabilities.

3 Statement of compliance and Material Accounting Policies

3.1 Statement of Compliance

As stated in note 52, balances under various heads which otherwise would have been measured and disclosed as per the requirement of relevant Indian Accounting Standards, due to the reasons stated therein have been continued to be so carried forward pending finalisation of the matter and determination of the amount as claim of the parent in this respect. Other than this, these consolidated financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") and the Group has complied with Ind AS issued, notified and made effective till the date of authorisation of the consolidated financial statements. Accounting Policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Basis of Preparation

The consolidated Financial Statements have been prepared under the historical cost convention on accrual basis except for:

a) certain financial instruments that are measured in terms of relevant Ind AS at fair value/ amortized cost at the end of each reporting period;

b) certain class of Property, Plant and Equipment which on the date of transition have been fair valued to be considered as deemed costs; and

c) Defined benefit plans- Plan Assets measured at fair value

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

All the assets and liabilities have been classified as current or non-current as per the entities in the Group's normal operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Having regard to the nature of business being carried out by the Group, the Group has determined its operating cycle as twelve months for the purpose of current and non-current classification.

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). The Group's functional and presentation currency is determined as the currency of the primary economic environment in which it operates. The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

Fair Value Measurement

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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Quoted prices ('unadjusted') in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable, either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data ('unobservable inputs').

The Group has an established control framework with respect to the measurement of fair value. This includes a finance team for each entity in the Group that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant and Equipment (PPE)

Property, plant and equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition i.e. PPE which have been fair valued on transition to be considered as deemed cost, purchase price of assets or its construction cost including duties and taxes (net of input tax credit availed), inward freight and other expenses incidental to acquisition or installation, adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. In addition interest on borrowing to finance the construction of qualifying assets is capitalised as a part of the assets cost until such time the asset is ready for it's intended use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. This includes expenditure incurred for relining of Blast Furnace/Coke Oven Battery.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Consolidated Statement of Profit and Loss when incurred. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Capital Work-in-progress includes project development expenses, equipments to be installed, construction and erection materials etc. Such costs are added to the related items and are classified to the appropriate categories of PPE when completed and ready for intended use.

The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on March 31, 2009 (as amended on December 29, 2011), which has been continued in accordance with Ind-AS 101 for all long term foreign currency monetary items existing as at March 31, 2016. Accordingly, exchange differences relating to long term monetary items, in so far as they relate to the acquisition of PPE, remain adjusted in the carrying amount of such assets.

Depreciation and Amortization

Depreciation on PPE except as stated below, is provided as per Schedule II of the Companies Act, 2013 on straight line method. In the following cases depreciation has been provided on written down value method using the rates arrived at based on the useful life as specified in Schedule II of the Companies Act 2013:

– PPE at Elavur unit and

– PPE at Khardah, Haldia and Bansberia unit excluding plant and equipment and office equipments

Certain plant and equipments have been considered as Continuous Process Plant on the basis of technical assessment. Depreciation on upgradation of Property, Plant and Equipment is provided over the remaining useful life of the entire component/ PPE..

In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation on such part has been based on internal assessment and independent technical evaluation carried out by external valuers.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, these assets are depreciated over the useful lives and such life as estimated and considered for depreciation by the Parent are as follows:

Category	Useful life
Buildings	
Non-Factory Building (RCC Frame Structure)	60 Years
Factory Building	30 Years
Roads	
Carpeted Roads-RCC	10 Years
Carpeted Roads-other than RCC	5 Years
Non-Carpeted Roads	3 Years

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Category	Useful life
Plant and machinery	
Sinter Plant, Blast Furnace, Coke Oven	20 Years
Coke Oven Battery Relining	5 Years
Blast Furnace Relining	2 to 6 Years
Pipe Moulds (specified size)	3 Years
Gasket Moulds	10 Years
Power Plant	40 Years
Others	
– Continuous Process Plant	15 Years
– Others	25 Years
Computer equipment	
Servers and networks	6 Years
Others	3 Years
Furniture and fixtures, Electrical Installation and Laboratory Equipment's	10 Years
Office equipment	5 Years
Vehicles	
Motor cycles, scooters and other mopeds	10 Years
Others	8 Years

Railway siding constructed on Government land is amortised over the period of 10 years in terms of agreement.

Assets costing rupees five thousand or less are being depreciated fully in the year of addition/acquisition.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right to use wagons acquired under "Wagon Investment Scheme" are amortized over a period of 10 years

In case of the subsidiaries also, depreciation have been provided on straight line method over the useful life of the assets applying the depreciation rates ranging from 1.5% to 35% per annum.

Intangible assets comprising of Trade Mark has been amortized on straight line basis over the period of registration, whereas cost of computer software packages (ERP and others) and mining rights are allocated / amortized over 5 years and available period of mining lease respectively.

The management believes that the useful lives as considered above is realistic and reflect a fair approximation of the period over which assets are expected to be used.

Depreciation/ Amortisation methods, useful lives and residual values are reviewed and adjusted as appropriate, at each reporting date.

3.3 Intangible Assets

Intangible assets are stated at deemed cost on transition date or on cost of acquisition comprising of purchase price inclusive of duties and taxes (net of input tax credit) less accumulated amortization and impairment losses. Trademark acquired through business combination is recognised at fair value as on the date of combination.

Expenditure incurred on research and development are not capitalized but are charged as expense in the consolidated statement of profit and loss in the period in which such expenditure is incurred.

3.4 Leases

(i) Group as a lessee

The Group's lease asset classes primarily consist of leases for Land, Buildings and Plant and Equipment. The Group assesses whether a contract is or contains a lease at the inception of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

1. the contract involves the use of an identified asset;
2. the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less ('short term leases') or leases pertaining to low value assets. For these short term leases or low value assets, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options considered for arriving at ROU and lease liabilities when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

(ii) Group as a lessor

a. Finance Lease

A lease is classified as finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially, asset held under finance lease is recognised in Consolidated Balance Sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease

b. Operating Lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

3.5 Derecognition of Tangible and Intangible assets

An item of PPE/ ROU/ Intangible Asset is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE/ Intangible Assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

3.6 Impairment of Tangible/ Intangible and ROU Assets

Tangible/ Intangible and ROU assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the Consolidated Statement of Profit and Loss, whenever the carrying amount of assets either belonging to Cash Generating Unit ('CGU') or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets' fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Consolidated Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.7 Financial Instruments

Financial assets and financial liabilities ('financial instruments') are recognised when the Group becomes a party to the contractual provisions of the instruments. The Group determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

A. Financial Assets

I. Initial Recognition and measurement

The financial assets include investments, trade receivable, loans and advances, cash and cash equivalents, bank balances other than cash and cash equivalents, derivative financial instruments and other financial assets.

Financial assets are initially measured at fair value or transaction price as applicable when the Group becomes party to the contractual obligation. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivable that do not contain a significant financing component are measured at transaction price.

II. Subsequent measurement

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

(i) at amortised cost,

(ii) at fair value through other comprehensive income ('FVTOCI'), and

(iii) at fair value through profit or loss ('FVTPL').

Financial Assets at amortised cost

A 'financial Asset' is measured at the amortised cost if the following two conditions are met:

(i) The asset is held within a business whose objective is to hold these assets in order to collect contractual cash flows; and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised Cost is determined using the Effective Interest Rate (""EIR"") method. Discount or premium on acquisition and other fees or costs forms an integral part of the EIR.

Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held both for collection of contractual cash flows and for selling the financial assets, and contractual terms of the financial assets give rise to cash flows representing solely payments of principal and interest.

Financial Assets at Fair value through profit or loss (FVTPL)

Financial Assets which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Consolidated Statement of profit and loss.

Equity Instruments

Equity instruments covered within the Scope of Ind AS 109 are measured at FVTPL. Other than this, the Group makes an election to present changes in fair value through other comprehensive income or through profit or loss on instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

In case the Group decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). Profit or loss arising on sale is taken to OCI. The amount accumulated in this respect is transferred within the Equity on derecognition.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

III. Derecognition

The Group derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

B. Financial Liabilities

I. Initial Recognition and measurement

The financial liabilities include trade and other payables, loan and borrowings, derivative financial instruments, other financial liabilities and financial guarantee contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial liabilities are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or are deducted from the fair value of the financial liabilities as appropriate in initial recognition.

II. Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified in the following categories:

(i) at amortised cost, or

(ii) at fair value through profit or loss ('FVTPL').

Financial Liabilities at amortised cost

After initial recognition, financial liabilities are measured at amortized cost using Effective Interest Rate ('EIR') method. When the financial liabilities are derecognised, gain or losses are recognised in the consolidated statement of profit and loss. Discount or premium on acquisition and other fees or costs forms an integral part of the EIR.

Financial Liabilities at Fair value through profit or loss (FVTPL)

Financial Liabilities which does not meet the criteria of amortised cost are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the Consolidated Statement of profit and loss.

III. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

C. Derivative and Hedge Accounting

Initial Recognition and Subsequent measurement

The Group enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Group uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Group. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments", is categorized as a financial asset/ financial liability, at fair value through profit or loss. Transaction costs attributable are also recognized in the Consolidated Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognized in the Consolidated Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

Hedging instrument which no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated remains therein till that time and thereafter to the extent hedge accounting being discontinued is recognised in Consolidated Statement of Profit and Loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Consolidated Statement of profit and loss.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

D. Offsetting financial instruments

Financial assets and liabilities including derivative financial instruments are offset and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the entities in the Group or the counterparty.

E. Impairment of financial assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/ expense in the statement of profit and loss. The balance sheet presentation for Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

3.8 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'weighted average' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same. Cost in respect of finished goods and process stock represents direct and indirect cost for bringing the inventory to present situation and condition including cost of material plus costs of conversion, comprising of labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

Cost of traded goods include Cost of Purchase and Other Cost incurred in bring the inventory to the present location and condition.

Scrap and By Products which are sold are valued at estimated net realizable value.

Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale.

3.9 Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency at the exchanges rate prevailing on the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the reporting date exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in consolidated statement of profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Consolidated Statement of Profit and Loss within finance costs.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on March 31, 2009 (as amended on December 29, 2011), which has been continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at March 31, 2016. Accordingly, exchange differences relating to long term monetary items in so far as they relate to the acquisition of Property, Plant and Equipment were adjusted in the carrying amount of such assets.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

a) Assets and liabilities are translated at the closing rate at the date of that balance sheet;

b) Income and expenses are translated at average exchange rates (unless there is a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c) All resulting exchange differences are recognised in other comprehensive income.

3.10 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required for settlement of the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the consolidated financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent assets are not recognised but disclosed by way of notes in the Consolidated Financial Statements when an inflow of economic benefits is probable.

3.12 Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employee.

Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

Other Long Term Employee Benefits

The cost of providing long term employee benefits consisting of leave encashment that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using long term interest rate as applicable to the government securities ('G-Sec') at the end of the reporting period that have terms approximating to the terms of related obligation. Actuarial gains and losses and past service cost are recognised immediately in the Consolidated Statement of Profit and Loss for the period in which they occur. Long term employee benefit obligation recognised in the Consolidated Balance Sheet represents the present value of related obligation.

Post Employment Benefits

The Group operates the following post employment schemes:

– Defined Benefit Plans

The liability or asset recognized in the Consolidated Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities ('G-Sec') at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Consolidated statement of profit and loss.

– Defined Contribution Plan

Defined contribution plans such as provident fund, social security, retirement and pension scheme etc. are charged to the Consolidated Statement of Profit and Loss as and when incurred. Contribution to Superannuation fund and National Pension Scheme, a defined contribution plan is made in accordance with the Group's policy and is recognised in the Consolidated Statement of profit and loss.

3.13 Operating and Other Income

i. Revenue from Sale of Products

Revenue from contracts with customers is accounted for only when it has commercial substance, and all the following criteria are met:

(i) parties to the contract have approved the contract and are committed to perform their respective obligations;

(ii) each party's rights regarding the goods or services to be transferred and payment terms there against can be identified; and

(iii) consideration in exchange for the goods or service to be transferred is collectible and determinable.

Revenue from contract with customers is recognized on satisfaction of performance obligation, when control over the goods or services has been transferred and/or goods/ services are delivered/ provided to the customer. Delivery occurs when the goods have been shipped or delivered to a specific location, and the customer has either accepted the goods under the contract or the Group has sufficient evidence that all the criteria for acceptance have been satisfied.

Revenue is measured at the amount of transaction price (consideration specified with the customers) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of rebates, claims and discounts, returns, Goods and Service Tax ('GST') and such other taxes collected on behalf of third party not being economic benefits flowing to the Group are excluded from revenue. Accumulated experience is used to estimate and provide for the discounts, returns using the expected value method.

The liability for refund against expected returns out of the sales made and corresponding assets for the products expected to be returned is recognised in the year of happening of the incidence.

ii. Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/ other claims are accounted as and when admitted / settled.

iii. Export Benefits

Export incentives are accounted for in the year of export if the entitlements and realisability thereof can be estimated with reasonable accuracy and conditions precedent to such benefit have been fulfilled.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

3.14 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs general or specific are recognized in the Consolidated Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property, Plant and Equipment ('PPE') which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

3.15 Non-current assets (or disposal groups) held for sale

Non-current assets held for sale are presented separately in the Consolidated Balance Sheet when the following criteria are met:

– the Group is committed to selling the asset;

– the assets are available for sale immediately;

– an active plan of sale has commenced; and

– sale is expected to be completed within 12 months.

Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

Non-current asset classified as held for sale are presented separately from the other assets in the consolidated balance sheet. The liabilities of a Non-current asset classified as held for sale are presented separately from other liabilities in the Consolidated Balance Sheet.

3.16 Government Grants

Government grants are recognized on systematic basis when there is reasonable certainty of realization of the same. Revenue grants including subsidy/rebates are credited to the Consolidated Statement of Profit and Loss Account under "Other Operating Income" or deducted from the related expenses for the period to which these are related. Grants which are meant for purchase, construction or otherwise for acquiring non current assets are recognized as Deferred Income and disclosed under Non Current Liabilities and transferred to the Consolidated Statement of Profit and Loss on a systematic basis over the useful life of the respective asset. Grants relating to non-depreciable assets is transferred to the Consolidated Statement of Profit and Loss over the periods as specified for meeting the obligations related to such grants.

3.17 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the end of the reporting period.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset related current tax assets against current tax liabilities and when these relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

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

Deferred tax items in corelation to the underlying transactions relating to Other Comprehensive Income and Equity are recognised in Other Comprehensive Income and Equity respectively.

3.18 Earnings Per Share

Basic earnings per share are computed by dividing the net profit/(loss) attributable to the equity holders of the parent by the weighted

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the parent by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.19 Segment Reporting

Operating segments are identified and reported taking into account the different risk and return, organisation structure and in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). CODM is responsible for allocating resources and assessing performance of the operating segments, financial results, forecasts or plan for the segment and accordingly is identified as the chief operating decision maker.

The Group has identified one reportable segment "Pipes and Fittings"" being primary segment and all other activities revolve around the main business based on the information reviewed by the CODM.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the Consolidated Financial Statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the Consolidated Financial Statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below. The matters dealt with in point 4.1 to 4.8 below provide an overview of the areas that involved a high degree of judgement or complexity and of items which are likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements are included in the relevant notes together with information about basis of calculation of each affected line item in the Consolidated Financial Statements.

4.1 Depreciation / amortization and impairment on Property, Plant and Equipment / intangible assets/ ROU

Property, Plant and Equipment and Intangible Assets are depreciated/ amortised on straight-line /written down value basis over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013 or as estimated by the management, taking into account the estimated residual value, wherever applicable. ROU are depreciated on a straight line basis over the shorter of the lease term and useful life of the underlying asset. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment if any to be recorded during any reporting period. This reassessment may result in variation in the amount of depreciation and amortisation in future period.

The Group reviews carrying value of Tangible/ Intangible and ROU Assets whenever there is objective evidence that the assets are impaired. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units ('CGU') fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. Accordingly, these assets have been carried forward at their respective carrying value and no provision on account of impairment thereagainst as such have been considered necessary.

4.2 Right-of-use assets and lease liabilities

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account among other thing, the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

4.3 Claims and Compensation

Claims including insurance claims / arbitration claim are accounted for on determination of certainty of realisation thereof. Compensation receivable against coal mine pending final acceptance or settlement thereof has not been given effect to, as the amount expected to be realised in this respect has not been considered to be less than the carrying amount of the relevant assets and other recoverables. In respect of certain other claims, compensation already awarded in respect of such claims being disputed and pending before the judicial authorities, have not been accrued and have been disclosed as Contingent Assets as at the end of the reporting period.

4.4 Impairment allowances on trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. In case of variation in financial condition the amount of impairment as recognised may vary having a significant impact on the Consolidated Financial Statement.

4.5 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes. Also there are matters pending before various judicial authorities outcome whereof are uncertain. Further, material judgement and assumptions are involved for arriving at timing differences and consequential adjustments on account of deferred taxation are given effect to whereever there are uncertainties leading to the variations in earlier assumptions.

4.6 Defined benefit obligation ('DBO')

The present value of the defined benefit obligations and long term employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. An actuarial valuation critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.7 Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Group as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to consider changing facts and circumstances.

4.8 Uniform Accounting Policies

The audited financial statements of foreign subsidiaries have been prepared in accordance with Generally Accepted Accounting Principles of its Country of Incorporation or International Financial Reporting Standards. The financial statement of aforesaid foreign subsidiary have been converted to Indian Rupee ('INR') and complied as per the Group accounting policies and principles generally accepted in India by the parent's management and carring out adjustments required for incorporating these in the Consolidated financials statements of the Group. Impact of such adjustments on account of differences if any, in accounting policies of the Parent and those followed by its subsidiaries are not material to the Group.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

5. Property, Plant and Equipment :

As at March 31, 2026 (Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Railway Siding	Live Stock	Total
Gross Block									
As at April 1, 2025	**15,83,17.08**	**4,03,99.46**	**18,54,13.79**	**13,64.54**	**29,80.82**	**23,43.83**	**33,63.20**	**1.11**	**39,41,83.83**
Acquisition through business combination (refer note 59)	15,81.61	38,83.97	49,82.55	–	–	13,04.85	–	–	1,17,52.98
Additions	1,29.42	10,49.00	1,74,84.62	99.20	1,26.53	2,59.46	–	–	1,91,48.23
Disposal	–	–	(33,14.78)	–	(4,53.43)	(16.16)	(10,81.47)	–	(48,65.84)
Other Adjustments	4,68.53	19,35.02	8,21.87	1,41.47	32.76	1,67.70	–	–	35,67.35
As at March 31, 2026	**16,04,96.64**	**4,72,67.45**	**20,53,88.05**	**16,05.21**	**26,86.68**	**40,59.68**	**22,81.73**	**1.11**	**42,37,86.55**
Accumulated Depreciation									
As at April 1, 2025	**–**	**1,58,41.65**	**6,94,64.58**	**7,98.09**	**14,68.66**	**14,53.26**	**33,50.72**	**–**	**9,23,76.96**
Acquisition through business combination (refer note 59)	–	14,15.41	30,38.34	–	–	11,69.06	–	–	56,22.81
Charge for the year	–	17,04.54	1,31,11.63	1,15.13	4,06.25	3,04.66	–	–	1,56,42.21
Disposal	–	–	(22,21.45)	–	(2,59.35)	(15.54)	(10,81.47)	–	(35,77.81)
Other Adjustments	–	5,82.04	4,81.73	79.57	20.57	1,50.38	–	–	13,14.29
As at March 31, 2026	**–**	**1,95,43.64**	**8,38,74.83**	**9,92.79**	**16,36.13**	**30,61.82**	**22,69.25**	**–**	**11,13,78.46**
Net carrying amount									
As at March 31, 2026	**16,04,96.64**	**2,77,23.81**	**12,15,13.22**	**6,12.42**	**10,50.55**	**9,97.86**	**12.48**	**1.11**	**31,24,08.09**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Railway Siding	Live Stock	Total
Gross Block									
As at April 1, 2024	15,70,30.11	3,04,76.80	16,71,73.27	12,39.13	23,36.95	19,10.09	33,63.20	1.11	36,35,30.66
Acquisition through business combination (refer note 59)	–	60,28.16	–	–	2,54.19	–	–	–	62,82.35
Additions	12,33.83	37,84.38	2,12,78.25	99.61	8,53.38	4,57.51	–	–	2,77,06.96
Disposal	–	–	(31,13.89)	(0.05)	(4,66.62)	(33.17)	–	–	(36,13.73)
Other Adjustments	53.14	1,10.12	76.16	25.85	2.92	9.40	–	–	2,77.59
As at March 31, 2025	15,83,17.08	4,03,99.46	18,54,13.79	13,64.54	29,80.82	23,43.83	33,63.20	1.11	39,41,83.83
Accumulated Depreciation									
As at April 1, 2024	–	1,27,43.27	5,99,75.27	6,77.96	13,80.70	12,21.25	33,50.72	–	7,93,49.17
Acquisition through business combination (refer note 59)	–	17,25.85	–	–	1,05.12	–	–	–	18,30.97
Charge for the year	–	13,47.26	1,08,99.43	1,06.89	3,61.98	2,48.07	–	–	1,29,63.63
Disposal	–	–	(14,60.83)	(0.05)	(3,81.88)	(24.09)	–	–	(18,66.85)
Other Adjustments	–	25.27	50.71	13.29	2.74	8.03	–	–	1,00.04
As at March 31, 2025	–	1,58,41.65	6,94,64.58	7,98.09	14,68.66	14,53.26	33,50.72	–	9,23,76.96
Net carrying amount									
As at March 31, 2025	15,83,17.08	2,45,57.81	11,59,49.21	5,66.45	15,12.16	8,90.57	12.48	1.11	30,18,06.87

5.1 Plant and Equipments include Rs. 4,06.21 lakhs (previous year Rs. 4,06.72 lakhs) being contribution for laying the power line, the ownership of which does not vest with the Group.

5.2 Railway Siding represents the cost of construction of the assets allowed to be used over the specified period as per the terms of the agreement.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

5.3 **Freehold land includes:**

(a) Rs. 32,49.00 lakhs (previous year Rs. 32,49.00 lakhs) pertaining to Parbatpur Coal Mine which has been vested to an another successful bidder as dealt with in note 52 and also includes Rs. 3,35.81 lakhs (previous year Rs. 3,35.81 lakhs) in respect of which the execution of conveyance deeds are pending.

(b) Rs. 2,75.27 lakhs (previous year Rs. 2,75.27 lakhs) towards contribution in relation to a Joint Venture Company ""North Dhadhu Mining Company Private Limited"" (refer note 8.1)."

5.4 Freehold land includes Rs. 18,89.04 lakhs (previous year Rs. 18,89.04 lakhs) acquired on merger of erstwhile Mahadev Vyapar Private Limited and Rs. 1,93,06.71 lakhs (previous year Rs. 1,96,39.06 lakhs) on merger of erstwhile Srikalahasthi Pipes Limited ('SPL') pending execution of the deeds in favour of the Parent.

5.5 Freehold land includes land amounting to Rs. 2,94,93.58 lakhs (previous year Rs. 2,94,93.58 lakhs) situated at Elavur plant of the Parent and are mortgaged in the favour of lender of ESL Steels Limited, an erstwhile associate of the Group. (Also refer note 9.1)

5.6 During the year ended March 31,2023, 1942.56 sq. mtr. of land was acquired by Union of India under the provisions of National Highways Act, 1956 and required adjustment with respect to compensation amounting to Rs. 16.24 lakhs received by the Parent was given effect. The Parent aggrieved by the compensation granted, has accepted the amount under protest and pursuant to the petition filed before the Hon'ble court of Andhra Pradesh in this respect, the matter has been remanded back to Arbitrator with a direction to issue a notice to the Parent allowing them to put forth their case and the matter is pending for adjudication as on this date.

5.7 Other adjustments includes Rs. 35,67.35 lakhs (previous year Rs. 2,77.59 lakhs) under Gross Block and Rs. 13,14.29 lakhs (previous year Rs. 1,00.04 lakhs) under Accumulated Depreciation related to realignment of PPE at closing rate as required in terms of Ind AS.

5.8 Refer note 24 of consolidated financial statements in respect of charge created against borrowings.

5.9 The above includes assets pertaining to Parbatpur Coal Block, consequential adjustment whereof will be given effect to as dealt with in note 52 of the Consolidated Financial Statement.

5.10 The Group doesn't hold any Benami Property and there is no proceedings initiated or pending against the Entities in the Group for holding any Benami Property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.

6. Other Intangible Assets

As at March 31, 2026 (Rs. in lakhs)

Particulars	Computer Softwares	Trade Mark	Mining Rights	Right to Use under WIS	Total
Gross Block					
As at April 1, 2025	**14,68.70**	**–**	**8.13**	**8,65.14**	**23,41.97**
Acquisition through business combination (refer note 59)	15,15.81	15,66.64	–	–	30,82.45
Additions	1,58.44	1,02.93	–	–	2,61.37
Disposal	(1,12.29)	–	–	–	(1,12.29)
Other Adjustments	1,08.75	1,64.27	–	–	2,73.02
As at March 31, 2026	**31,39.41**	**18,33.84**	**8.13**	**8,65.14**	**58,46.52**
Accumulated Amortisation					
As at April 1, 2025	**10,41.09**	**–**	**8.13**	**8,65.14**	**19,14.36**
Acquisition through business combination (refer note 59)	11,73.15	4,92.40	–	–	16,65.55
Charge for the year	2,16.53	1,78.34	–	–	3,94.87
Disposal	–	–	–	–	–
Other Adjustments	1,16.83	44.06	–	–	1,60.89
As at March 31, 2026	**25,47.60**	**7,14.80**	**8.13**	**8,65.14**	**41,35.67**
Net carrying amount					
As at March 31, 2026	**5,91.81**	**11,19.04**	**–**	**–**	**17,10.85**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Particulars	Computer Softwares	Trade Mark	Mining Rights	Right to Use under WIS	Total
Gross Block					
As at April 1, 2024	13,61.14	–	8.13	8,65.14	22,34.41
Additions	95.17	–	–	–	95.17
Disposal	(0.05)	–	–	–	(0.05)
Other Adjustments	12.44	–	–	–	12.44
As at March 31, 2025	14,68.70	–	8.13	8,65.14	23,41.97
Accumulated Amortisation					
As at April 1, 2024	8,87.05	–	8.13	8,65.14	17,60.32
Charge for the year	1,43.95	–	–	–	1,43.95
Disposal	(0.05)	–	–	–	(0.05)
Other Adjustments	10.14	–	–	–	10.14
As at March 31, 2025	10,41.09	–	8.13	8,65.14	19,14.36
Net carrying amount					
As at March 31, 2025	4,27.61	–	–	–	4,27.61

6.1 Right to use under WIS represents cost incurred by the Parent in connection with wagon procured under "Wagon investment Scheme" ('WIS') and handed over to railway authorities for their normal operations and ensuring the availability of the wagons on priority for transportation etc. as and when required.

The Parent being deprived of the availability of the wagons as per the WIS had terminated the agreement with South Eastern Railway (SER) and lodged a claim of Rs. 2,32,44.82 lakhs for compensation in this respect. Arbitration award pursuant to the claim for compensation amounting to Rs. 2,52,85.27 lakhs (including interest) had been allowed in favour of the Parent. Meanwhile, the Parent filed an application for release of the balance amount due/payable by SER under the award against which subsequently on June 27, 2024, the Hon'ble Calcutta High Court had directed SER to deposit additional sum of Rs. 60,00.00 lakhs against interest accrued till June 20, 2024. Pending decision of the Hon'ble Court, Rs. 3,12,85.27 lakhs as decided including interest as stated above had been deposited by SER. The Parent on submission of the Bank Guarantee had withdrawn Rs. 3,10,32.42 lakhs (net of Rs. 2,52.85 lakhs on account of commission and other charges) which had been deposited in fixed deposit with bank and equivalent amount towards liability, if any arising in this respect has been recognised as 'Other Financial Liabilities' (refer note 26) in these consolidated financial statements. During the year vide judgement dated October 24, 2025, Hon'ble High Court has dismissed the application with a direction to release the bank guarantee and thereby, the fixed deposits pledged against the same has been released by the bank. Subsequently, SER has filed a SLP before the Hon'ble Supreme Court of India against the arbitration award, outcome of which is awaited as on this date.

Differential amount of Rs. 2,52.85 lakhs deducted on account of commission and other charges and interest if any payable in this respect depending upon the outcome of the decision of the Hon'ble Supreme Court of India has been disclosed as contingent liabilities (refer note 55(i)(g)) in these consolidated financial statements. Adjustments with respect to ROU Assets as above and amount of claim (refer note 55(ii)(b)) will be given effect to on determination thereof upon final decision on the matter.

6.2 Other adjustments includes Rs. 2,73.02 lakhs (previous year Rs. 12.44 lakhs) under Gross Block and Rs. 1,60.89 lakhs (previous year Rs. 10.14 lakhs) under Accumulated Amortisation related to realignment of Intangible Assets at closing rate as required in terms of Ind AS.

6.3 Refer note 24 to consolidated financial statements in respect of charge created against borrowings.

6.4 Refer note 52 dealing with coal mine assets.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

7. Right of Use Assets

As at March 31, 2026 (Rs. in lakhs)

Particulars	Land	Building	Plant & Equipments	Total
Gross Block				
As at April 1, 2025	**78,17.82**	**22,41.28**	**21,59.86**	**1,22,18.96**
Acquisition through business combination (refer note 59)	–	–	–	–
Additions	–	9,87.74	–	9,87.74
Deletion	–	(63.24)	(21,59.86)	(22,23.10)
Other Adjustments	6,25.80	1,85.81	–	8,11.61
As at March 31, 2026	**84,43.62**	**33,51.59**	**–**	**1,17,95.21**
Accumulated Depreciation				
As at April 1, 2025	**28,96.58**	**5,69.69**	**10,36.66**	**45,02.93**
Acquisition through business combination (refer note 59)	–	–	–	–
Charge for the year	8,06.85	3,69.41	42.60	12,18.86
Deletion	–	(63.24)	(10,79.26)	(11,42.50)
Other Adjustments	3,39.70	31.67	–	3,71.37
As at March 31, 2026	**40,43.13**	**9,07.53**	**–**	**49,50.66**
Net carrying amount				
As at March 31, 2026	**44,00.49**	**24,44.06**	**–**	**68,44.55**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Land	Building	Plant & Equipments	Total
Gross Block				
As at April 1, 2024	75,08.76	10,34.14	21,59.86	1,07,02.76
Acquisition through business combination (refer note 59)	–	12,11.03	–	12,11.03
Additions	1,42.89	–	–	1,42.89
Deletion	–	–	–	–
Other Adjustments	1,66.17	(3.89)	–	1,62.28
As at March 31, 2025	78,17.82	22,41.28	21,59.86	1,22,18.96
Accumulated Depreciation				
As at April 1, 2024	16,15.66	2,68.99	8,63.89	27,48.54
Acquisition through business combination (refer note 59)	–	1,86.62	–	1,86.62
Charge for the year	8,10.22	1,14.69	1,72.77	10,97.68
Deletion	–	–	–	–
Other Adjustments	4,70.70	(0.61)	–	4,70.09
As at March 31, 2025	28,96.58	5,69.69	10,36.66	45,02.93
Net carrying amount				
As at March 31, 2025	49,21.24	16,71.59	11,23.20	77,16.03

7.1 Other adjustments includes Rs. 8,11.61 lakhs (previous year Rs. 1,62.28 lakhs) under Gross Block and Rs. 3,71.37 lakhs (previous year Rs. 73.07 lakhs) under Accumulated Depreciation related to realignment of Right of Use Assets at closing rate as required in terms of Ind AS.

7.2 Also refer note 45.3.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

8. Investment in Joint Ventures

(Fully paid up except otherwise stated) (Rs. in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Holding (Nos.)	Amount	Amount	Holding (Nos.)	Amount	Amount
Investments in Equity Instruments						
Unquoted						
Joint Venture (Carrying amount determined using equity method of accounting)						
North Dhadhu Mining Company Private Limited (Face value of Rs.10 each)	**8228053**	**8,38.13**		8228053	8,38.13	
Less: Impairment in value of Investment (refer note no. 8.1)		**(8,38.13)**	**–**		(8,38.13)	–
Add: Group share of Profit/(Loss) for the year (Net)		**–**	**–**		–	–
			–			–
Total Investment In Joint Ventures			**–**			–
Aggregate amount of Unquoted Investments			**8,38.13**			8,38.13
Aggregate amount of Impairment in value of Investments			**8,38.13**			8,38.13

8.1 (a) The North Dhadhu Coal Block located in the State of Jharkhand was allocated to the Parent, Amalgam Steel & Power Limited ('ASPL'), Jharkhand Ispat Private Limited ('JPL') and Pawanjay Steel & Power Limited ('PSPL') (collectively referred to as 'venturers') for working through North Dhadhu Mining Company Private Limited ('NDMCPL'), a joint venture company. The Parent has joint control (proportionate of ownership interest of the Parent being 48.98%) along with other venturers represented by investment of Rs. 8,22.81 lakhs in equity shares of NDMCPL.

(b) Pursuance to the Order dated September 24, 2014 issued by the Hon'ble Supreme Court of India ('the Order') followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, The Ministry of Coal, Government of India had issued an order for de-allocation of North Dhadhu Coal Block. In terms of the Ordinance (subsequently promulgated into Coal Mine (Special Provision) Act, 2015), NDMCPL has submitted a claim of Rs. 70,33.00 lakhs (previous year Rs. 70,35.00 lakhs) for compensation which is awaiting acceptance. In the view of the management the compensation to be received in terms of the ordinance is expected to cover the cost incurred by the Joint venture company including and the cost of land as stated in note 5.3(b). However as an abundant precaution, the value of the investment amounting to Rs. 8,22.81 lakhs in Joint venture had fully been provided in earlier year and recognised as impairment thereagainst.

8.2 Particulars of investments as required in terms of section 186(4) of the Companies Act, 2013 have been disclosed under note 8, 9 and 15.

8.3 Summarised financial information in respect of a Joint Venture not consolidated for reasons stated in Note 8.1 above:

(Rs. in lakhs)

Summarised financial information	North Dhadhu Mining Company Private Limited	
	As at March 31, 2026	As at March 31, 2025
Balance Sheet		
(i) Non–current assets		
Property, Plant and Equipment and Capital Work in progress	**14,57.23**	14,57.23
Financial Assets - Loans	**12.61**	12.61
Other non-current assets	**0.90**	0.90
(ii) Current Financial Assets.		
Investments	**82.35**	1,02.67
Cash and cash equivalents	**3.72**	2.59
Other financial assets	**–**	0.04
(iii) Other current assets	**36.92**	36.92
(iv) Current liabilities		
Other current financial liabilities	**3.21**	3.30
Other current liabilities	**0.28**	0.31

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Statement of Profit and Loss		
(i) Other Income	**5.94**	8.37
(ii) Total Expenses	**25.06**	27.85
(iii) Profit/(loss) before tax	**(19.12)**	(19.48)
(iv) Tax Expense	**–**	–
(v) Profit/(loss) after tax	**(19.12)**	(19.48)
(vi) Other comprehensive income.	**–**	–
(vii) Total comprehensive income.	**(19.12)**	(19.48)
(viii) Dividend received during the year (Parent's share)	**–**	–

9. Non–Current Investments

(Fully paid up except otherwise stated) (Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Holding (Nos.)	Amount	Holding (Nos.)	Amount
Investment designated at Fair Value through Other Comprehensive Income (FVTOCI)				
Quoted				
R.G. Ispat Limited (Face value of Rs. 10 each)*	**50**	**0.00**	50	0.00
Saint Gobain-PAM (Face value of Euro 4 each)	**14**	**1.07**	14	1.19
		1.07		1.19
Unquoted				
Rainbow Steels Limited (Face value of Rs.10 each)	**100**	**0.01**	100	0.01
N Marshall Hi-tech Engineers Private Limited (Face value of Rs.10 each)	**50000**	**9.95**	50000	9.47
ESL Steel Limited (Face value Rs. 10 each) (Refer Note 9.1)	**19796000**	**46,36.22**	19796000	49,23.27
		46,46.18		49,32.75
Total Non Current Investments		**46,47.25**		49,33.94
Aggregate amount of Quoted Investments		**1.07**		1.19
Aggregate amount of Market value of Quoted Investments		**1.07**		1.19
Aggregate amount of Unquoted Investments		**46,46.18**		49,32.75
Aggregate amount of Impairment in value of Investments		**–**		–

* Figures below rounding off limit

7.1 (a) The parent holds 19796000 equity shares (previous year 19796000 equity shares) of Rs. 10 each in ESL Steel Limited ('ESL') out of which 17334999 equity shares (previous year 17334999 equity share) of Rs. 10 each amounting to Rs. 40,59.85 lakhs were pledged with the consortium of lenders of ESL ('lenders'). The notices issued by the lenders for invocation of pledge of Parent's investment was set aside by the Hon'ble High Court at Calcutta in earlier year and the Parent's plea for release of such pledge is pending before the said High Court.

(b) Further, in earlier years, certain land amounting to Rs. 2,94,93.58 lakhs of the Parent, situated at Elavur, Tamil Nadu were mortgaged to another lender of ESL viz SREI Infrastructure Finance Limited ('SREI') and SREI had subsequently assigned it's right against the said land to an Asset Reconstruction Company ('ARC') although the claims of the said lender were fully discharged by ESL as per the Resolution Plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata. Subsequently, the ARC had issued SARAFESI Notice and taken the symbolic possession of the said land. The Parent had disputed the alleged assignment of the loan by the lender and as directed by the Hon'ble Supreme Court had filed an application before the Debt Recovery Tribunal ('DRT'), Chennai for setting aside the SARAFESI actions and release of the title deeds of the land which vide order dated April 08, 2022 (uploaded on April 27, 2022) had been dismissed by DRT. On filing the appeal before the Debt Recovery Appellate Tribunal ("DRAT") against the order of DRT, DRAT has directed the Parent to deposit 50% of the SARAFESI demand i.e. Rs. 2,93,55.04 lakhs against which revision application under Article 227 of the Indian Constitution and

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

a Writ Application under Article 226 of Indian Constitution has been filed before Hon'ble Madras High Court and the matter is pending before the said court.

Earlier, the ARC had also filed an application before Hon'ble NCLT, Cuttack for initiation of Corporate Insolvency and Resolution Process ('CIRP') against the Parent which had been decided in the favour of the Parent vide NCLT order dated June 24, 2022 ('the Order'). The said order on being challenged by ARC has been upheld by Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated January 24, 2024. The Judgement of NCLAT was challenged before Hon'ble Supreme Court of India. Hon'ble Supreme Court vide its Judgement dated January 6, 2026 confirmed that the Parent is not a guarantor for financial facilities availed by ESL. Hence, no CIRP Proceedings can be initiated against the Parent. However, Hon'ble Supreme Court has also held that the approval and / or implementation of the Resolution Plan of Vedanta Limited for ESL does not result in extinguishment of the entire debt so as to bar any claim against the Third-Party Security Providers. The parent is contemplating legal option of filing a Review Application before Hon'ble Supreme Court of India.

(c) Pending finalization of the matters as per (a) and (b) above, the assets have been carried forward at their book value.

9.2 The Group has made an irrevocable decision to consider investment in equity instruments not held for trading (non current investments) to be recognised at FVTOCI.

10. Loans (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Loan Receivables considered good			
Unsecured Loans	10.1	**5,00.61**	1,10.46
		5,00.61	1,10.46

10.1 Includes:

(a) Interest free Unsecured Loan given by one of the foreign subsidiary to its shareholder Rs. 26.94 lakhs (previous year Rs. 24.28 lakhs).

(b) Rs. 4,73.67 lakhs (previous year Rs. 86.18 lakhs) given by one of the foreign subsidiary to a third party for general business purpose bearing interest rate of 3%.

11. Other Financial Assets (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Fixed Deposit with Banks	11.1	**2,68,48.55**	5,97,07.70
Security Deposit			
– Considered Good	19.1 and 11.3	**17,56.83**	20,93.07
– Considered Doubtful		**3,00.62**	3,00.62
– Less: Impairment Allowances	11.2	**(3,00.62)**	(3,00.62)
Interest Receivable	11.1	**1,62.55**	5,71.56
		2,87,67.93	6,23,72.33

11.1 Fixed Deposits with banks include Rs. 2,67,65.86 lakhs (previous year Rs. 5,97,07.70 lakhs) which have been kept with banks/customer against bank guarantee or as security deposit (refer note 6.1, 26.1 and 31.1).

11.2 Movement of Impairment Allowance (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	**3,00.62**	3,00.62
Recognised during the year	–	–
Reversal during the year	–	–
Balance at the end of the year	**3,00.62**	3,00.62

11.3 Security deposits includes Rs. 7,50.12 lakhs (previous year Rs. 1,92.62 lakhs) with the related parties (refer note 56).

12. Non–Current Tax Assets (net) (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current Tax Assets (net)	**18,80.28**	7,95.76
	18,80.28	7,95.76

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

13. Other Non-Current Assets

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	**2,72.36**	6,47.66
Prepaid expenses	**1,52.85**	79.57
Loans and Advances to employees	**19.54**	1.63
	4,44.75	7,28.86

14. Inventories (At lower of Cost or Net Realisable Value)

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	**5,40,28.11**	7,40,70.91
Raw materials in transit	**1,65,83.19**	1,02,05.15
Process stock	**1,87,06.16**	2,24,84.95
Finished goods [including in transit Rs. 1,35,31.65 lakhs (previous year Rs. 1,51,32.11 lakhs)]	**10,65,28.37**	9,18,31.47
Stock-in-trade (in respect of goods acquired for trading)	**27,99.94**	41,63.95
Scrap and By Products	**50,57.16**	87,24.57
Stores and spares [net of provision for obsolescence of Rs. 4,04.02 lakhs (previous year Rs. 2,60.81 lakhs)]	**3,60,79.85**	3,43,86.60
Stores and spares in transit	**36.22**	5,29.59
	23,98,19.00	24,63,97.19

14.1. Refer note 31.1 and 31.2 to Consolidated Financial Statements in respect of charge created against borrowings.

15. Current Investments

(Fully paid up except otherwise stated)

(Rs. in lakhs)

Particulars	Face Value	As at March 31, 2026		As at March 31, 2025	
		Holding (Nos.)	Amount	Holding (Nos.)	Amount
At Fair Value through Profit and Loss					
A. Bonds					
(Quoted)					
Bank of Baroda SR XIII 8.50 BD Perpetual	1000000	–	–	50	5,00.08
State Bank of India Series I 7.74 BD Perpetual	1000000	–	–	54	5,38.12
			–		10,38.20
B. Debentures					
(Quoted)					
Alpha Alternatives Financial Services Private Limited EQAR SR MLD F BR Non-Convertible Debentures ('NCD')	100000	**4238**	**69,13.81**	4238	62,70.90
Alpha Alternatives Financial Services Private Limited SR CAR MLD C BR NCD	100000	**418**	**6,73.61**	418	5,84.94
Alpha Alternatives Financial Services Private Limited EQAR SR MLD H BR NCD	100000	**424**	**6,44.89**	424	5,86.82
Alpha Alternatives Financial Services Private Limited SR MLD CAR-K BR NCD	100000	**8475**	**1,00,08.41**	–	–
Alpha Alternatives Financial Services Private Limited EQAR SR MLD Q BR NCD	100000	**2025**	**24,78.31**	–	–
Alpha Alternatives Financial Services Private Limited EQAR SR MLD T BR NCD	100000	**6356**	**75,09.93**	–	–
			2,82,28.96		74,42.66
(Unquoted)					
Alpha Alternatives Holdings Private Limited SR A 15% Unlisted, Redeemable, Transferable NCD	100000	**150**	**1,50,00.00**	–	–
			1,50,00.00		–
			4,32,28.96		74,42.66
C. Mutual Funds					
(Unquoted)					
ICICI Prudential Overnight Fund - Growth	100000	**97083**	**14,00.47**	–	–
Kotak Overnight Fund - Growth - (Regular Plan)	100000	**98096**	**14,00.47**	–	–
			28,00.94		–

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	Face Value	As at March 31, 2026		As at March 31, 2025	
		Holding (Nos.)	Amount	Holding (Nos.)	Amount
D. Alternative Investments Funds (AIF) (In Limited Liability Partnership (LLP), Unquoted)					
Alpha Alternatives MSAR LLP A1	100	**999950**	**10,51.44**	999950	11,07.17
Alpha Alternatives Msar LLP AAMSAR A1	100	**5999700**	**60,49.13**	–	–
			71,00.57		11,07.17
Total – Current Investments			**5,31,30.47**		95,88.03
Aggregate amount of Quoted Investments and market value thereof					
– In Bonds at Yield to Maturity			–		10,38.20
– In Debentures at underlying asset value			**2,82,28.96**		74,42.66
			2,82,28.96		84,80.86
Aggregate amount of Unquoted Investments					
– Debentures			**1,50,00.00**		–
– In Mutual funds at Net Asset Value			**28,00.94**		–
– In AIF			**71,00.57**		11,07.17
			2,49,01.51		11,07.17

15.1 The Parent has invested in Debentures and AIF whereby an option has been granted to redeem/ liquidate these investments after the expiry of specified period. These investment being made pursuant to the deployment of the surplus fund of the parent which may be liquidated as and when funds are required for business and other purposes and have therefore been considered as Current Investments and fair valued through profit and loss.

16. Trade Receivables

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Unsecured			
Trade Receivables considered good		**10,77,57.84**	14,88,65.63
Less: Credit loss allowances on Trade Receivable - considered good		**(6,97.42)**	(5,91.18)
Trade Receivables - credit impaired		**10,85.01**	9,75.14
Less: Credit loss allowances on Trade Receivable - credit impaired	16.2	**(10,85.01)**	(9,75.14)
		10,70,60.42	14,82,74.45

16.1 **Ageing of Trade Receivable**

As on March 31, 2026

(Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payments						
	Not yet due	Less than 6 months	6 Months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed Trade Receivable							
(i) Considered Good	**7,76,15.61**	**2,43,97.77**	**18,32.77**	**36,28.69**	**25.47**	**70.64**	**10,75,70.95**
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Disputed Trade Receivable							
(i) Considered Good	–	–	–	**91.31**	–	**95.58**	**1,86.89**
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	**10,85.01**	**10,85.01**
Total	**7,76,15.61**	**2,43,97.77**	**18,32.77**	**37,20.00**	**25.47**	**12,51.23**	**10,88,42.85**
Less: Credit loss allowances on Trade Receivable	–	**2,10.94**	**2,15.50**	**98.39**	**6.37**	**12,51.23**	**17,82.43**
Total	**7,76,15.61**	**2,41,86.83**	**16,17.27**	**36,21.61**	**19.10**	–	**10,70,60.42**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As on March 31, 2025 (Rs. in lakhs)

Particulars	Outstanding for following periods from due date of payments						
	Not yet due	Less than 6 months	6 Months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed Trade Receivable							
(i) Considered Good	10,51,83.07	3,90,35.02	44,36.74	72.80	7.06	34.96	14,87,69.65
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	–	–
Disputed Trade Receivable							
(i) Considered Good	–	–	0.40	–	–	95.58	95.98
(ii) Which has significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit Impaired	–	–	–	–	–	9,75.14	9,75.14
Total	10,51,83.07	3,90,35.02	44,37.14	72.80	7.06	11,05.68	14,98,40.77
Less: Credit loss allowances on Trade Receivable	–	4,55.57	3.37	–	1.77	11,05.61	15,66.32
Total	10,51,83.07	3,85,79.45	44,33.77	72.80	5.29	0.07	14,82,74.45

16.2 Movement of Credit loss allowances on Trade Receivable (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Balance at the beginning of the year	**15,66.32**	15,17.50
Acquisition through Business Combination (Refer note 59)	**2,34.28**	–
Recognised during the year	**–**	3.60
Reversal during the year	**(2,68.44)**	–
Exchange difference on translation of foreign operations	**2,50.27**	45.22
Balance at the end of the year	**17,82.43**	15,66.32

16.3 Balances of Trade Receivables including retention money are subject to confirmation/reconciliation and adjustments in this respect are carried out as and when amounts thereof, if any are ascertained.

16.4 There are no unbilled receivable as on March 31, 2026 and March 31, 2025.

16.5 There are no debts due by the directors or other officer of the Parent or any of them severally or jointly with any other person or by the firm or private companies respectively in which any director is a partner or a director or a member.

16.6 Refer note 31.1 and 31.2 to Consolidated Financial Statements in respect of charge created against borrowings.

17. Cash and Cash Equivalents (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Balances with banks		
In current and cash credit accounts	**1,75,95.97**	1,66,58.17
In Fixed Deposits (having original maturity of less than 3 months)	**1,18,20.29**	–
Cash on hand	**25.19**	77.14
	2,94,41.45	1,67,35.31

17.1 Refer note 31.1 to Consolidated Financial Statements in respect of charge created against borrowings.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

18. Bank Balances Other than Cash and Cash Equivalents (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Balances with banks			
In Fixed Deposit Escrow account	27.1	**5,36.93**	5,36.93
In dividend accounts		**1,59.46**	1,55.85
Others	18.2	**0.62**	–
In Fixed deposits (having original maturity of less than 3 months)	18.1	**9,36.06**	10,80.71
In Fixed deposits (having original maturity of more than 3 months and less than 12 months)	18.1	**21,95.33**	20,54.27
		38,28.40	38,27.76

18.1 Fixed Deposits with banks include fixed deposit of Rs. 31,03.99 lakhs (previous year Rs. 31,07.79 lakhs) which have been kept with banks against facilities availed by the Parent (refer note 31.1). Further fixed deposits include Rs. 10.69 lakhs (previous year Rs. 27.19 lakhs) lying with customer against deposit for supplies of materials and Rs. 16.71 lakhs (previous year nil) against Employees Sadhan Scheme.

18.2 Represents earmarked balance by the parent pursuant to Employee Sadhan Scheme to be utilised as per the scheme.

18.3 Refer note 31.1 to Consolidated Financial Statements in respect of charge created against borrowings.

19. Other Financial Assets (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Security Deposits			
- Considered Good	19.1	**14,71.92**	21,75.44
- Considered Doubtful		**1,69.52**	1,69.52
Less: Impairment Allowances	19.3	**(1,69.52)**	(1,69.52)
Interest receivable		**1,20.52**	5,70.19
Claim receivable against coal block	52	**93,16.85**	93,16.85
Excise Duty Claim Receivable (Coal)	19.2 and 52	**13,05.87**	13,05.87
Incentive/Subsidy/Cess receivable	19.4	**57,18.77**	60,63.18
Export incentive receivable		**10,51.71**	8,87.32
Others - Insurance, Export related claim, Antisubsidy and other receivable	19.5	**12,05.39**	18,28.70
		2,01,91.03	2,21,47.55

19.1 Security Deposit includes Rs. 15.30 lakhs (previous year Rs. 5,85.51 lakhs) with related parties (refer note 56) and Rs. 3,69.11 lakhs (previous year Rs. 5,05.42 lakhs) (including Rs. 36.27 lakhs (previous year Rs. 6.12 lakhs) shown under non current) lying with customer in terms of agreement/ order towards supplies of goods.

19.2 Excise Duty claim receivable represent the refund claimed in respect of unutilised amount lying in respect of coal mine has been rejected and an appeal has been filed before the appellate authority by the Parent and the management is confident of recovery of the same.

19.3 Movement of Impairment Allowances (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Balance at the beginning of the year	**1,69.52**	1,69.52
Recognised during the year	**–**	–
Reversal during the year	**–**	–
Balance at the end of the year	**1,69.52**	1,69.52

19.4 (a) During the year, the State Government of West Bengal ('State Government') has notified the enactment of the Revocation of West Bengal Incentive Schemes and Obligations in the nature of Grants and Incentive Act, 2025 ('the Revocation Act') rescinding, revoking and discontinuing all West Bengal Incentive Schemes including West Bengal Incentive Scheme, 2000 ('WBIS 2000') ('the Scheme') retrospectively from the date of implementation of the respective scheme.

The Parent is entitled to receive incentive in the form of Industrial Promotion Assistance under WBIS 2000 for the period starting from April 01, 2004 till March 31, 2019 in respect of parent's manufacturing units at Khardah and Haldia and the same as required in terms

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

of WBIS 2000 have been granted to the parent. Accordingly, the benefits under the said scheme has accrued and vested to the parent before the enactment of the Revocation Act and Rs. 46,80.58 lakhs out of the amount accrued in this respect till June 30, 2017 (pending determination of the amount pertaining to GST Regime for the remaining period till March 31, 2019) is outstanding as on March 31, 2026. The Hon'ble High Court of Calcutta on a petition filed by the parent for the claim upto March 31, 2015 vide it's order dated April 08, 2024 had directed the State Government to pay the amount remaining unpaid under the Scheme and pending receipt of the claim despite the direction of the Hon'ble High Court, the parent had filed contempt petition before the said court on August 23, 2024. An another petition claiming the incentive for the remaining period upto June 30, 2017 had also been filed before the said court. During the year, the Parent based on the legal advice has filed a writ petition before the Hon'ble Calcutta High Court challenging the constitutional validity and retrospective applicability of the Revocation Act. The decisions with respect to these petitions are pending adjudication as on this date. Accordingly, the amount of claim accrued in earlier years and outstanding as above being considered good and recoverable has been so carried forward as on March 31, 2026.

(b) Includes Rs. 10,38.19 lakhs (previous year Rs. 12,02.49 lakhs) in respect of sales tax subsidy receivable under Andhra Pradesh Industrial Investment Promotion Policy.

19.5 Others include Antisubsidy rights paid by French and Spanish establishment of one of the subsidiary for the period from September 01, 2020 to September 30, 2022 amounting to Rs 17,82.76 lakhs on assessment thereof has been refunded during the year.

19.6 Refer note 31.1 to Consolidated Financial Statements in respect of charge created against borrowings.

20. Other Current Assets (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Advances for supply of goods and rendering of services			
– Considered Good		**1,02,04.89**	1,11,55.30
– Considered Doubtful		**96.56**	44.54
– Less: Impairment Allowances	20.1	**(96.56)**	(44.54)
Loans and advances to employees		**1,37.85**	1,17.30
Balance with Government authorities	20.2	**43,81.35**	56,60.94
Prepaid expenses		**12,56.84**	12,56.56
Others - taxes and duties, etc.		**7,03.26**	3,73.99
		1,66,84.19	1,85,64.09

20.1 Movement of Impairment Allowances against doubtful advances (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	**44.54**	53.77
Recognised during the year	**52.02**	–
Reversal during the year	**–**	(9.23)
Balance at the end of the year	**96.56**	44.54

20.2 Balance with Government authorities include Rs. 47.19 lakhs (previous year Rs. 2,63.29 lakhs) kept as pre deposit against various demands disputed by the Parent and pending in appeal before various appellate authorities as detailed in note 55(i).

20.3 Refer note 31.1 to Consolidated Financial Statements in respect of charge created against borrowings.

21. Equity Share Capital (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
Equity shares, Re. 1/- par value		
1030200000 (previous year 1030200000) equity shares	**1,03,02.00**	1,03,02.00
Issued, Subscribed and Paid-up		
Equity shares, Re. 1/- par value		
618184591 (previous year 618184591) equity shares fully paid up	**61,81.84**	61,81.84
	61,81.84	61,81.84

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

21.1 The Parent has only one class of shares referred to as equity shares having a par value of Re. 1/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group, after distribution of all preferential amounts, in proportion of their shareholding.

21.2 Reconciliation of the number of equity shares outstanding (No. of shares)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Number of shares at the beginning	**618184591**	618184591
Add: Changes during the year	**–**	–
Number of shares at the end	**618184591**	618184591

21.3 Shareholders holding more than 5% equity shares (No. of shares)

Particulars	**As at March 31, 2026**	As at March 31, 2025
G. K. & Sons Private Limited	**50656655**	50656655
Electrocast Sales India Limited	**41135158**	41135158
Murari Investment & Trading Company Limited	**39459399**	39459399
Belgrave Investment Fund	**36060361**	35672368
Asha Kejriwal/Mayank Kejriwal -Trustee of Sreeji Family Benefit Trust	**35027053**	35027053

21.4 **Shareholdings of the Promoters :**

For the year ended March 31, 2026

Sl. No.	**Name of the Promoter**	**Shareholding as at March 31, 2026**		**Shareholding as at March 31, 2025**		**Changes during the year**
		No of Shares	**% of Shares held**	**No of Shares**	**% of Shares held**	
1	Mayank Kejriwal	10096061	1.63	10096061	1.63	–
2	Uddhav Kejriwal	3762724	0.61	3762724	0.61	–

For the year ended March 31, 2025

Sl. No.	Name of the Promoter	Shareholding as at March 31, 2025		Shareholding as at March 31, 2024		Changes during the year
		No of Shares	% of Shares held	No of Shares	% of Shares held	
1	Mayank Kejriwal	10096061	1.63	10096061	1.63	–
2	Uddhav Kejriwal*	3762724	0.61	3757724	0.61	–

* % change during the year, below rounding of limit

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

22. Other Equity (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Capital Reserve	22.1		
As per last Balance Sheet		**(3,84,20.74)**	(4,01,53.07)
Add: Business Combination during the year	59	**4,35.01**	17,32.33
		(3,79,85.73)	(3,84,20.74)
Securities Premium	22.2		
As per last Balance Sheet		**11,75,35.27**	11,75,35.27
General Reserve	22.3		
As per last Balance Sheet		**14,80,65.95**	14,80,65.95
Statutory Reserve	22.4		
As per last Balance Sheet		**7,23.26**	7,07.41
Exchange difference on translation of foreign operations		**99.67**	15.85
		8,22.93	7,23.26
Retained Earnings	22.5		
As per last Balance Sheet		**33,47,50.81**	26,94,24.66
Profit after tax as per Consolidated Statement of Profit and Loss		**1,61,43.59**	7,09,55.79
Transferred from Other Comprehensive Income		**4,31.91**	(65.98)
Dividend on Equity shares (2024-25- Re. 1.40 (2023-24- Re. 0.90)) per Equity Share		**(86,54.58)**	(55,63.66)
		34,26,71.73	**33,47,50.81**
Other Comprehensive Income	22.6		
Equity instrument through other comprehensive income			
As per last Balance Sheet		**24,40.86**	34,95.74
Other Comprehensive Income for the year (net of tax)		**(2,86.76)**	(10,32.33)
Transferred to Retained Earnings	22.8	**–**	(22.55)
		21,54.10	24,40.86
Re-measurement of defined benefit plans			
As per last Balance Sheet		**–**	–
Other Comprehensive Income for the year (net of tax)		**4,31.91**	(88.53)
Transferred to Retained Earnings		**(4,31.91)**	88.53
		–	–
Foreign currency translation reserve			
As per last Balance Sheet		**68,82.11**	60,27.68
Other Comprehensive Income for the year (net of tax)		**61,03.71**	8,70.28
Exchange difference on translation of foreign operations		**(99.67)**	(15.85)
		1,28,86.15	68,82.11
		58,61,50.40	57,19,77.52

22.1 **Capital Reserve**

Capital Reserve includes:

a) Rs. 41,48.28 lakhs created on account of forfeiture of warrants convertible into equity shares;

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

b) (Rs. 4,43,01.35 lakhs) being the excess consideration paid i.e. equity share issued with respect to net assets and reserves acquired consequent to amalgamation of erstwhile Srikalahasthi Pipes Limited; and

c) Rs. 17,32.33 lakhs being the differential with respect to consideration paid and net assets acquired consequent to Singardo International Pte. Limited and Rs 4,35.01 lakhs on acquisition of TIS Services S.p.A being a wholly owned subsidiary accounted for in accordance with Ind AS 103 "Business Combination" as detailed in note 59.

22.2 **Securities Premium**

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

22.3 **General Reserve**

General Reserve is a free reserve which is created by transfer of profit from retained earnings. As the reserve is created by a transfer from one component to another, it is not an item of Other Comprehensive Income ('OCI'). Item included in General Reserve is not reclassified to Statement of Profit and Loss.

22.4 **Statutory Reserve**

Statutory Reserve is required to be created by certain subsidiaries of the Group out of the profits and maintained in accordance with local law of the host country. This reserves is available for utilisation as specified in the local law of the host country.

22.5 **Retained Earnings**

Retained earnings generally represents the undistributed surplus earnings of the Group.

22.6 **Other Comprehensive Income (OCI)**

Other Comprehensive Income represent the balance in equity for items to be accounted under OCI and comprises of the following:

i) **Items that will not be reclassified to Profit and Loss**

a. The Group has elected to recognise changes in the fair value of non-current investments in OCI. This reserve represents the cumulative gains and losses arising on equity instruments being measured at fair value. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed.

b. This also includes actuarial gains and losses arising on defined benefit obligations recognised in OCI which is transferred to retained earnings.

ii) **Items that will be reclassified to Profit and Loss.**

a. This reserve contains

(I) accumulated balance of foreign exchange difference from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities; and

(II) accumulated foreign exchange difference arising in monetary items that in substance, form part of the Group's net investment in foreign operations. Such foreign exchange difference are recognised in OCI. Exchange differences previously accumulated in this Reserve are reclassified to Profit or Loss on disposal of the foreign operations.

22.7 Subsequent to the Balance Sheet date, the Parent's Board of Directors at its meeting held on May 18, 2026 has recommended a final dividend of Re. 0.90 per equity share to be paid on fully paid up equity shares in respect of financial year ended March 31, 2026. The equity dividend is subject to approval by the shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statement. The estimated amount of final dividend to be paid thereof amounts to Rs. 55,63.66 lakhs.

22.8 The Parent had acquired 99.11% of the equity shares of Singardo International Pte Limited ("Singardo") at a consideration of SGD 64,42,450 and remitted the entire consideration equivalent to Rs 41,48.97 lakhs on October 7, 2024. The Parent held 0.89% of equity shares in Singardo and on transfer of the equity shares acquired as above in favour of the parent, Singardo with effect from October 22, 2024 i.e. the date of transfer became a wholly owned subsidiary of the Group. On Singardo, becoming the wholly owned subsidiary, the Parent in accordance with the policy being followed has designated it to be measured at cost. Accordingly, the amount lying in the Other Comprehensive Income (net of tax) amounting to Rs. 22.55 lakhs had been transferred to retained earning.

23. **Non- Controlling Interest**

23.1 The details (Principal place of operation/country of incorporation, principal activities and percentage of ownership interest and voting power (directly held by the Group)) of the subsidiaries are set out in note 1 of the consolidated financial statements.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

23.2 Summarised financial information of subsidiaries having non-controlling interests is as follow: (Rs. in lakhs)

Name of the Subsidiary	Profit/(Loss) allocated to Non–controlling interests		Accumulated Non–controlling interests	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**As at March 31, 2026**	As at March 31, 2025
Electrosteel Doha For Trading LLC	**3.94**	15.49	**1,04.01**	1,12.66

Electrosteel Doha For Trading LLC

a) Summarised Balance Sheet: (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Assets		
(i) Non-current assets		
Property, Plant and Equipment	**–**	0.01
(ii) Current assets		
Inventories	**3,55.64**	5,94.30
Financial Assets	**6,34.09**	1,79.56
Other current assets	**21,48.73**	23,12.18
	31,38.46	30,86.05
Liabilities		
(i) Non-current liabilities		
Provisions	**4.98**	3.60
(ii) Current liabilities		
Financial Liabilities	**1,61.18**	3,59.52
Other current liabilities	**3,82.18**	3,75.46
Provisions	**–**	–
Current Tax Liabilities (Net)	**21.75**	50.88
	5,70.09	7,89.46
Equity attributable to :		
Owners of the Parent	**24,64.36**	21,83.93
Non controlling interest	**1,04.01**	1,12.66

b) Summarised Statement of Profit and Loss (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Revenue	**22,50.31**	36,32.54
(ii) Other Income	**59.72**	29.56
(iii) Purchases of Stock-in-Trade	**13,50.89**	16,21.31
(iv) Changes in inventories of finished goods, stock-in-trade and process stocks	**2,80.89**	7,95.93
(v) Employee benefits expense	**2,52.39**	2,58.00
(vi) Depreciation and amortisation	**0.01**	0.07
(vii) Other expenses	**2,94.55**	4,70.39
(viii) Profit for the year	**1,09.53**	4,65.53
(ix) Other comprehensive income	**1,74.82**	66.27
(x) Total comprehensive income	**2,84.35**	5,31.80
Total comprehensive income attributable to:		
Owners of the Parent	**2,80.41**	5,16.31
Non controlling interest	**3.94**	15.49

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

c) Summarised Cash Flow Statement

(Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net cash inflow/(outflow) from operating activities	**56.09**	8,29.93
Net cash inflow/(outflow) from investing activities	**–**	–
Net cash inflow/(outflow) from financing activities	**(44.55)**	(9,30.04)
Net cash inflow/(outflow)	**11.54**	(1,00.11)

24. Borrowings

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026		As at March 31, 2025	
		Non Current	Current	Non Current	Current
SECURED BORROWINGS					
Term loan					
Rupee Loan					
– From bank	24.1.1 to 24.1.10	**1,98,64.76**	**1,53,27.75**	1,91,18.40	2,08,13.98
Foreign Currency Loan					
– From banks	24.2.1 to 24.2.5	**21,75.72**	**4,63.28**	21,52.26	2,28.76
		2,20,40.48	**1,57,91.03**	2,12,70.66	2,10,42.74
UNSECURED BORROWINGS					
Foreign Currency Loan					
– From banks	24.3.1 to 24.3.22	**33,29.30**	**20,05.40**	5,50.76	11,62.15
		33,29.30	**20,05.40**	5,50.76	11,62.15
		2,53,69.78	**1,77,96.43**	2,18,21.42	2,22,04.89

24.1.1 Rupee Term Loan of Rs. 1,50,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi Unit and Freehold Land at Haldia. The said loan has been fully repaid during the year.

24.1.2 Rupee Term Loan of Rs. 50,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The said loan has been fully repaid during the year.

24.1.3 Rupee Term Loan of Rs. 60,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 5,98.58 lakhs (previous year Rs. 23,73.90 lakhs) and is repayable in 7 structured monthly installments starting from April 2026.

24.1.4 Rupee Term Loan of Rs. 3,00,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 1,03,85.00 lakhs (previous year Rs. 1,89,04.00 lakhs) and is repayable in 8 structured quarterly installments starting from June 2026.

24.1.5 Rupee Term Loan of Rs. 1,12,50.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi unit, Freehold Land at Haldia, Rajgangpur and Kakinara. The outstanding as on March 31, 2026 is Rs. 1,09,68.75 lakhs (previous year nil) and is repayable in 19 structured quarterly installments starting from April 2026.

24.1.6 Rupee Term Loan of Rs. 75,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent other than assets located at Elavur and Srikalahasthi unit and Freehold Land at Haldia. The outstanding as on March 31, 2026 is Rs. 3,78.67 lakhs (previous year Rs. 18,79.88 lakhs) and is repayable in June 2026.

24.1.7 Rupee Term Loan of Rs. 45,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment, both present and future, of the Parent located at Srikalahasthi unit. The said loan has been fully repaid during the year.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

24.1.8 Rupee Term Loan of Rs. 2,00,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs. 59,23.70 lakhs (previous year Rs. 98,88.73 lakhs) and is repayable in 24 structured monthly installments starting from April 2026.

24.1.9 Rupee Term Loan of Rs. 55,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment and other intangible assets, both present and future, of the Parent located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs. 55,00.00 lakhs (previous year nil) and is repayable in 18 structured quarterly installments starting from June 2026.

24.1.10 Rupee Term Loan of Rs. 1,20,00.00 lakhs from a bank is secured by way of first pari-passu charge on all immovable and movable Property, Plant and Equipment, both present and future, of the Parent located at Srikalahasthi unit. The outstanding as on March 31, 2026 is Rs. 14,37.81 lakhs (previous year Rs. 19,17.07 lakhs) and is repayable in 12 equal quarterly installments starting from June 2026.

24.2.1 In case of one subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2025 was Rs. 3.05 lakhs has been fully repaid during the year.

24.2.2 In case of one subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 11.19 lakhs (previous year Rs. 15.19 lakhs) is secured by hypothecation of assets purchased under the loan and is repayable in 23 equal monthly instalments starting from April 2026.

24.2.3 In case of one subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 3,40.11 lakhs (previous year Rs. 3,35.95 lakhs) is secured by lease hold assets and is repayable in 66 equal monthly instalments starting from April 2026.

24.2.4 In case of one subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 21,24.62 lakhs (previous year Rs. 20,26.83 lakhs) is secured by lease hold assets and is repayable in 88 equal monthly instalments starting from April 2026.

24.2.5 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 1,63.08 lakhs (previous year nil) is secured by the assets of erstwhile shareholder of TIS Service S.p.A and is repayable in July, 2026.

24.3.1 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2025 was Rs. 11.09 lakhs has been fully repaid during the year.

24.3.2 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2025 was Rs. 25.11 lakhs has been fully repaid during the year.

24.3.3 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2025 was Rs.19.89 lakhs has been fully repaid during the year.

24.3.4 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 3,26.17 lakhs (previous year Rs. 2,77.62 lakhs) and is repayable in 60 monthly instalments starting from April, 2031.

24.3.5 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 82.99 lakhs (previous year Rs. 4,92.64 lakhs) and is repayable in 2 monthly instalments starting from April, 2026.

24.3.6 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 27.56 lakhs (previous year Rs. 3,04.12 lakhs) and is repayable in April, 2026.

24.3.7 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 67.01 lakhs (previous year Rs. 2,83.57 lakhs) and is repayable in 3 monthly instalments starting from April, 2026.

24.3.8 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 25.55 lakhs (previous year Rs. 1,52.02 lakhs) and is repayable in 2 monthly instalments starting from April, 2026.

24.3.9 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 1,17.15 lakhs (previous year Rs. 1,46.30 lakhs) and is repayable in 25 monthly instalments starting from April, 2026.

24.3.10 In case of one of the subsidiary, obligation under foreign currency loan converted into equivalent INR as on March 31, 2025 was Rs. 0.55 lakhs has been fully repaid during the year.

24.3.11 In case of one of the subsidiary, obligation under foreign currency term loan outstanding as on March 31, 2026 is Rs. 6.06 lakhs (previous year nil) and is repayable in 60 monthly instalments starting from April, 2026.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

24.3.12 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 4,10.44 lakhs (previous year nil) and is repayable in 5 quarterly instalments starting from April, 2026.

24.3.13 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 92.50 lakhs (previous year nil) and is repayable in 10 monthly instalments starting from April, 2026.

24.3.14 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 1,53.66 lakhs (previous year nil) and is repayable in 13 monthly instalments starting from April, 2026.

24.3.15 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 3,26.17 lakhs (previous year nil) and is repayable in 2 half-yearly instalments starting from April, 2026.

24.3.16 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 1,16.07 lakhs (previous year nil) and is repayable in 4 monthly instalments starting from April, 2026.

24.3.17 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 13,97.86 lakhs (previous year nil) and is repayable in 72 monthly instalments starting from April, 2026.

24.3.18 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 8,80.65 lakhs (previous year nil) and is repayable in 108 monthly instalments starting from April, 2026.

24.3.19 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 2,05.24 lakhs (previous year nil) and is repayable in 5 quarterly instalments starting from April, 2026.

24.3.20 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 74.52 lakhs (previous year nil) and is repayable in 3 monthly instalments starting from April, 2026.

24.3.21 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 3,72.76 lakhs (previous year nil) and is repayable in 72 monthly instalments starting from April, 2026.

24.3.22 In case of one of the subsidiary, obligation under foreign currency term loan converted into equivalent INR as on March 31, 2026 is Rs. 4,89.26 lakhs (previous year nil) and is repayable in 108 monthly instalments starting from April, 2026.

24.4 The interest rate for the above INR loans ranges from 6.50% to 7.95% p.a and foreign currency loan from 1.84% to 8.50% p.a

24.5 The outstanding balances disclosed in note 24.1 to 24.3 are based on the amortised cost in accordance with Ind AS 109 "Financial Instruments.

25. Lease Libilities (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Non-Current	7, 25.1 and 45.3	**35,44.37**	48,84.53
Current	7, 25.1 and 45.3	**12,94.15**	16,92.57
		48,38.52	65,77.10

25.1 Lease liability represents present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

26. Other Financial Liabilities (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Receipt against claim under WIS and Railway siding	6.1 and 26.1	**5,59,29.29**	5,59,29.29
Security Deposit		**42.00**	11.00
		5,59,71.29	5,59,40.29

26.1 The Parent started construction of a private siding at Durgachak near Haldia in 2007 which was completed in 2009. However, the commissioning of the siding was withheld by the Railways thereby jeopardising Parent's investment of Rs. 40,96.00 lakhs in the project. South Eastern Railways ('SER') had withdrawn all permissions against the siding and raised demand of Rs. 3,25.00 lakhs towards Land Licensing Fees and liquidated

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

damages for the period from 2012-13 till April 28, 2017 and being aggrieved by said decision of SER, the Parent had filed an application before the Hon'ble Calcutta High Court for appointment of a Sole Arbitrator and by order dated July 01, 2019, the court appointed Sole Arbitrator in the matter.

The Parent had submitted its final claim before the Tribunal for refund of costs incurred for the siding and excess Land Licensing fees paid by it, alongwith compensation for loss of business etc. and interest till realization of the dues. The arbitration award allowing the claim of Rs. 2,28,00.02 lakhs was granted on January 03, 2024 in favour of the Parent including the amendment thereto made by supplementary award dated February 16, 2024. The Parent thereafter had filed an application for execution of award before the single bench of Hon'ble Calcutta High Court wherein the Court had directed SER to deposit Rs. 2,48,96.87 lakhs (inclusive of further interest @18% p.a. for the period from January 05, 2024 to July 09, 2024) with the Court's Registrar. The said amount had been deposited by SER alongwith two applications for setting aside of the arbitral award and for stay of operation of the arbitral award before the single bench of Hon'ble Calcutta High Court, which is pending for adjudication as on this date. Pending this, the Parent on submission of the Bank Guarantee had withdrawn Rs. 2,48,96.87 lakhs which had been deposited in fixed deposit with bank (refer note 11.1) and an equivalent amount towards liability, if any arising on account of the guarantee issued has been recognised in these consolidated financial statements. Adjustment with respect to amount of claim (refer note 55(ii)(c)) will be given effect to on determination thereof upon final decision on the matter.

27. Provisions (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits	50	**63,99.58**	43,38.71
Provision for mine closure and restoration charges	27.1	**5,59.98**	5,59.98
		69,59.56	48,98.69

27.1 Provision for Mines closure and restoration charges had been made in terms of statutory obligations specified for the purpose and Rs. 4,40.00 lakhs deposited and interest accrued in earlier years amounting to Rs. 96.93 lakhs were disclosed in the Escrow account in terms of the stipulation made by Ministry of Coal, for Mines Closure Plan. In view of cancellation of allotment of coal mines (refer note 52), no further provision in this respect and accrual of interest thereagainst on fixed deposit lying in Escrow account (amount cumulative of interest as on March 31, 2026 Rs. 9,35.09 lakhs) has been considered necessary. (refer note 18 and 52).

27.2 Movement of Provision for Mine closure and Restoration Obligation:

Particulars	(Rs. in lakhs)
As at April 01, 2024	5,59.98
Provision during the year	–
As at March 31, 2025	5,59.98
Provision during the year	–
As at March 31, 2026	**5,59.98**

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current	**–**	–
Non-current	**5,59.98**	5,59.98

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

28. Deferred Tax Liabilities (Net)

The following is the analysis of deferred tax (assets)/liabilities presented in the Balance Sheet: (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax Assets	**(70,82.33)**	(74,36.17)
Deferred tax Liabilities	**3,18,24.46**	3,09,08.73
Net Deferred Tax (Assets)/Liabilities	**2,47,42.13**	2,34,72.56

28.1 Components of Deferred tax (Assets)/ Liabilities

As at March 31, 2026 (Rs. in lakhs)

Particulars	As at April 1, 2025	Business Combination (refer note no 59)	Charge/ (Credit) recognised in profit or loss	Charge/ (Credit) recognised in Other Comprehensive Income	Foreign Currency Translation Reserve	As at March 31, 2026
Deferred Tax Assets:						
Fair valuation of Financial Assets, Impairment Allowance, Capital Subsidy etc.	(2,57.98)	–	(17.32)	–	–	**(2,75.30)**
Merger expenses allowable u/s 35DD of the Income Tax Act,1961	–	–	–	–	–	**–**
Provision for Other Items u/s 43B of Income Tax Act, 1961	(26,80.77)	–	25,86.68	–	–	**(94.09)**
Provision for Employee benefits u/s 43B of Income Tax Act, 1961	(8,74.39)	–	(11,61.73)	–	–	**(20,36.12)**
Derivative instruments designated at fair value through Profit and Loss	–	–	(77.22)	–	–	**(77.22)**
Unabsorbed Long Term Capital Loss under Income Tax Act,1961	(25.38)	–	0.02	–	–	**(25.36)**
Remeasurement of defined benefit obligations through OCI	(45.43)	–	–	45.43	–	**–**
Other timing differences w.r.t. subsidiaries under various jurisdiction	–	(2,00.85)	(2,42.44)	–	(13.54)	**(4,56.83)**
Timing difference w.r.t. unrealised profit on stock	(35,52.22)	–	(5,65.19)	–	–	**(41,17.41)**
Total Deferred Tax Assets	**(74,36.17)**	**(2,00.85)**	**5,22.80**	**45.43**	**(13.54)**	**(70,82.33)**
Deferred Tax Liabilities:						
Fair valuation of Financial Liabilities	37.35	–	(8.08)	–	–	**29.27**
Fair valuation of Current Investments	4,02.20	–	2,19.71	–	–	**6,21.91**
Derivative instruments designated at fair value through Profit and Loss	21.94	–	(21.94)	–	–	**–**
"Temporary difference with respect to Property, Plant & Equipment, Intangibles & ROU Assets	3,03,16.16	–	6,61.29	–	–	**3,09,77.45**
Remeasurement of defined benefit obligations through OCI	–	–	–	99.84	–	**99.84**
Investments designated at fair value through OCI	7.32	–	–	0.07	–	**7.39**
Other timing differences w.r.t. subsidiaries under various jurisdiction	1,23.76	94.35	(1,20.73)	–	(8.78)	**88.60**
Total Deferred Tax Liabilities	**3,09,08.73**	**94.35**	**7,30.25**	**99.91**	**(8.78)**	**3,18,24.46**
DEFERRED TAX (ASSETS)/ LIABILITIES (NET)	**2,34,72.56**	**(106.50)**	**12,53.05**	**1,45.34**	**(22.32)**	**2,47,42.13**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Particulars	As at April 1, 2024	Business Combination (refer note 59)	Charge/ (Credit) recognised in profit or loss	Charge/ (Credit) recognised in Other Comprehensive Income	Foreign Currency Translation Reserve	As at March 31, 2025
Deferred Tax Assets:						
Fair valuation of Financial Assets, Impairment Allowance, Capital Subsidy etc.	(2,66.72)	–	8.74	–	–	(2,57.98)
Merger expenses allowable u/s 35DD of the Income Tax Act,1961	(60.95)	–	60.95	–	–	–
Provision for Other Items u/s 43B of Income Tax Act, 1961	(27,13.12)	–	32.35	–	–	(26,80.77)
Provision for Employee benefits u/s 43B of Income Tax Act, 1961	(8,46.34)	–	(28.05)	–	–	(8,74.39)
Unabsorbed Long Term Capital Loss under Income Tax Act,1961	(1,34.49)	–	1,09.11	–	–	(25.38)
Remeasurement of defined benefit obligations through OCI	(15.65)	–	–	(29.78)	–	(45.43)
Other timing differences w.r.t. subsidiaries under various jurisdiction	(64.82)	–	64.82	–	–	–
Timing difference w.r.t. unrealised profit on stock	(38,29.28)	–	2,77.06	–	–	(35,52.22)
Total Deferred Tax Assets	(79,31.37)	–	5,24.98	(29.78)	–	(74,36.17)
Deferred Tax Liabilities:						
Fair valuation of Financial Liabilities	48.28	–	(10.93)	–	–	37.35
Fair valuation of Current Investments	1,85.10	–	2,17.10	–	–	4,02.20
Derivative instruments designated at fair value through Profit and Loss	13.42	–	8.52	–	–	21.94
Temporary difference with respect to Property, Plant & Equipment, Intangibles & ROU Assets (refer note 47.2)	3,81,17.47	–	(78,01.31)	–	–	3,03,16.16
Investments designated at fair value through OCI	6.42	–	–	0.90	–	7.32
Other timing differences w.r.t. subsidiaries under various jurisdiction	43.14	6.86	73.76	–	–	1,23.76
Total Deferred Tax Liabilities	3,84,13.83	6.86	(75,12.86)	0.90	–	3,09,08.73
NET DEFERRED TAX (ASSETS)/ LIABILITIES	3,04,82.46	6.86	(69,87.88)	(28.88)	–	2,34,72.56

28.2 The expiry date for long term capital loss recognised are as follows: (Rs. in lakhs)

Particulars	**Year of Expiry**	**As at March 31, 2026**
Long Term Capital Loss	2027-28	**85.00**
Long Term Capital Loss	2031-32	**92.39**

28.3 The expiry date for long term capital loss unrecognised are as follows: (Rs. in lakhs)

Particulars	**Year of Expiry**	**As at March 31, 2026**
Long Term Capital Loss	2029-30	**2,19,37.94**
Long Term Capital Loss	2031-32	**22,34.86**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

29. Other Non-Current Liabilities (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Deferred Income	29.1	**2,43.62**	2,69.23
Others	29.2	**1,11.92**	1,04.84
		3,55.54	3,74.07

29.1 Deferred Income comprises of Government Grants/Assistance in form of:

Particulars	Opening as on April 01,2025 (including Current portion)	Recognised during the year	Transferred to Consolidated Statement of Profit and Loss	Closing as on March 31, 2026 (Including Current Portion)
a) Financial Assistance under Industrial Infrastructure Development Fund ('IIDF') towards Capital expenditure incurred for manufacturing DI Pipes as specified in Industrial Investment Promotion Policy 2005-2010 and 2010-2015.	2,94.87	–	25.64	**2,69.23**
b) Duty benefit availed under Export Promotion Capital Goods ('EPCG') Scheme on purchase of Property, Plant and Equipment accounted for as Government grants. Income from such grant is estimated and accounted for on the basis of fulfilment of related export obligations.	891.76	–	–	**8,91.76**

29.2 Represents the amount lying against Own Your Car scheme (OYC)

30. Non Current Tax Liabilities (Net) (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Non Current Tax Liabilities (net of advance tax)	30.1	**20,72.67**	19,69.79
		20,72.67	19,69.79

30.1 Includes Rs. 9,92.53 lakhs (net) (previous year Rs. 9,92.53 lakhs (net)) being interest received in earlier years in respect of the refund granted pertaining to Assessment Years 2008-09 to 2015-16, pending decision by Hon'ble High Court at Calcutta pursuant to the appeal filed by the Income Tax Department against the favourable orders of the Income Tax Appellate Tribunal, Kolkata.

31. Borrowings (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Current Maturities of Long Tem Debt-Secured	24	**1,57,91.03**	2,10,42.74
Current Maturities of Long Tem Debt-Unsecured	24	**20,05.40**	11,62.15
SECURED			
Repayable on demand from banks			
– Bill discounted with banks	31.1	**23,62.72**	75,28.22
– Indian Currency		**3,08,00.00**	4,15,60.40
– Foreign Currency	31.2	**5,55.79**	64,79.20
– Purchase Bill Discounting		**76,57.87**	12,70.42
– Suppliers/Buyer's Credit		**2,90,99.57**	3,18,05.76
		7,04,75.95	8,86,44.00
UNSECURED			
Repayable on demand from banks			
– Bill discounted with banks		**2,67,32.34**	4,86,65.78
– Indian Currency		–	95,00.00
– Foreign Currency	31.3	**1,08,92.86**	76,51.99
– Suppliers/Buyer's Credit		–	64,80.12
		3,76,25.20	7,22,97.89
From Body Corporates		–	10,00.00
		3,76,25.20	7,32,97.89
		12,58,97.58	18,41,46.78

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

31.1 Working Capital facilities from Banks (both fund and non fund based) are secured by first pari passu charge by way of hypothecation of current assets namely raw materials, finished goods, work in progress, consumable stores and spares, book debts/receivables and all other moveable assets of the Parent both present and future.

31.2 In case of one of the subsidiary, working capital facilities from bank consisting of Stock and invoice financing are secured by way of a fixed and floating charge over the assets of the said subsidiary.

31.3 Working Capital facilities from Banks (both fund based and non fund based) availed by certain subsidiaries as detailed in note 56.1(b) are secured by Standby Letter of Credit given/executed by the Parent in favour of the lenders.

31.4 There are no registration/satisfaction of charges pending with Registrar of Companies beyond the statutory period as on the Balance Sheet date.

32. Trade Payables

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Payable for Goods and Services			
Dues of micro and small enterprises	32.2	**16,00.83**	16,04.00
Dues other than micro and small enterprises	32.3	**5,36,43.16**	5,40,48.16
		5,52,43.99	5,56,52.16

32.1 **Ageing of Trade Payables**

As at March 31, 2026

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 Year	1–2 Year	2–3 Year	More than 3 Year	Total
(i) MSME	16,00.83	–	–	–	–	**16,00.83**
(ii) Others	2,63,14.84	2,32,52.23	19,02.97	18,03.49	3,69.63	**5,36,43.16**
(iii) Disputed due – MSMEs	–	–	–	–	–	–
(iv) Disputed due – Others	–	–	–	–	–	–

As at March 31, 2025

(Rs. in lakhs)

Particulars	Outstanding for following period from due date of payment					
	Not Due	Less than 1 Year	1–2 Year	2–3 Year	More than 3 Year	Total
(i) MSME	10,97.91	5,06.09	–	–	–	16,04.00
(ii) Others	1,75,08.03	2,80,72.77	50,59.53	6,78.32	26,86.06	5,40,04.71
(iii) Disputed due – MSMEs	–	–	–	–	–	–
(iv) Disputed due – Others	–	–	–	–	43.45	43.45

32.2 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information received by the Parent from the suppliers regarding their status under the Act.

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Principal and Interest amount remaining unpaid but not due as at year end	**17,54.48**	16,04.00
b) Interest paid by the Parent in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	**Nil**	Nil
c) 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 Micro, Small and Medium Enterprises Development Act, 2006	**Nil**	Nil
d) Interest accrued and remaining unpaid as at year end	**Nil**	Nil
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	**Nil**	Nil

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

32.2.1 Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

32.3 Including acceptances of Rs. 22,60.99 lakhs (previous year Rs. 15,54.76 lakhs) against non fund based facilities secured as stated in note 31.1.

32.4 There are no unbilled dues as on March 31, 2026 and March 31, 2025.

33. Other Financial Liabilities (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Interest accrued but not due on borrowings	24 and 31	**4,62.43**	5,30.73
Unclaimed dividends	33.1	**1,59.46**	1,55.85
Derivatives at fair value through profit and loss	49(d)	**17,15.94**	5,43.08
Other Payables			
Employees		**50,03.20**	42,11.11
Capital vendors		**18,52.96**	23,55.48
Receipt against claim for Coal Mine	52	**98,37.87**	–
Others- NPS, LIC, Superannuation etc.		**3,60.69**	2,92.63
		1,93,92.55	80,88.88

33.1 There are no amount due and outstanding to be credited to Investor Education and Protection Fund at the Balance Sheet date.

34. Other Current Liabilities (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Contract Liability		**1,28,61.12**	83,12.29
Statutory Payables		**57,14.88**	1,47,21.79
Deferred Income	29.1 and 34.2	**62,71.78**	9,17.40
Others- ED on Power, OYC etc.	34.1	**3,30.04**	3,18.47
		2,51,77.82	2,42,69.95

34.1 Other includes Electricity Duty (ED) on Power Rs. 2,64.07 lakhs (previous year Rs. 2,64.07 lakhs).

34.2 Deferred Income includes Rs 53,54.41 lakhs in respect of two subsidiaries pertains to income of future years, received during the year.

35. Provisions (Rs. in lakhs)

Particulars	**Ref. note no.**	**As at March 31, 2026**	As at March 31, 2025
Provision for employee benefits	50	**32,89.82**	16,27.14
Other Provisions	35.1	**35,19.77**	15,40.21
		68,09.59	31,67.35

35.1 Other provisions includes:

(a) Provisions amounting to nil (previous year Rs. 2,37.00 lakhs) created against estimated amount of liability on account of rejected stock lying with customer, pending receipt of such stock as on balance sheet date.

(b) Estimated differential electricity duty amounting to Rs. 5,93.95 lakhs (previous year Rs. 5,93.95 lakhs) on account of the rate charged for Electricity Duty being lower than that prescribed, pending for decision by Hon'ble Supreme Court of India.

(c) Estimated amount of quantity discount of Rs. 3,17.80 lakhs (previous year nil) to be paid to a customer as per the Memorandum of Undertaking entered into in earlier years pending determination as on this date.

(d) Provision created against hyper inflationary environment and other regulated risk amounting to Rs 4,85.39 lakhs (previous year Rs. 7,09.26 lakhs) prevailing in one of the subsidiary including variation in prices.

(e) Provision of Rs 18,99.26 lakhs (previous year nil) made in respect to replacement cost for supplies made pending final assessment.

(f) Provision of Rs 2,23.37 lakhs (previous year nil) made by one of the subsidiary to cover claim, loss or debts of specific nature of certain or probable existence, the amount and time of payment of which connot be determined as on this date.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Movement of such provisions are as follows:

Particulars	(Rs. in lakhs)
As at April 01, 2024	**17,01.30**
Provision during the year	9,03.30
Reversal/Utilisation during the year	(10,76.50)
Exchange difference on translation of foreign operations	12.11
As at March 31, 2025	**15,40.21**
Provision during the year	23,21.00
Acquisition through Business Combination (refer note 59)	1,91.15
Reversal/Utilisation during the year	(4,24.33)
Exchange difference on translation of foreign operations	(1,08.26)
As at March 31, 2026	**35,19.77**

36. Current Tax Liabilities (Net) (Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Liabilities (Net)	**8,76.78**	8,80.54
	8,76.78	8,80.54

37. Revenue from Operations (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	**58,86,52.73**	72,92,83.73
Other operating revenues		
Incentive / Subsidy	**23,57.19**	23,58.27
Others	**7,92.52**	3,54.71
	59,18,02.44	73,19,96.71

37.1. **Disclosures as per Ind AS 115** (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) **Disaggregated Revenue from contract with customers (Transferred at point in time)**		
A. Revenue from Sale of products		
Ductile Iron pipes & fittings	**41,27,45.13**	62,32,01.79
Ferro Products	**2,46,06.56**	1,81,59.67
Cast Iron pipes	**2,86,56.44**	3,08,76.22
Cement	**27.66**	50.93
Others	**12,26,16.94**	5,69,95.12
	58,86,52.73	72,92,83.73
B. Revenue based on territorial seggregation		
Within India	**38,81,74.64**	55,86,15.59
Outside India	**20,04,78.09**	17,06,68.14
	58,86,52.73	72,92,83.73
C. Revenue based on type of customers		
Government (India)	**70,17.57**	5,87,12.54
Non Government	**58,16,35.16**	67,05,71.19
	58,86,52.73	72,92,83.73
(ii) **Reconciliation of Revenue from contract with customers**		
Revenue from Sale of products as per the contract price	**59,03,54.29**	73,10,44.47
Adjustments made to contract price on account of Price Adjustments	**17,01.56**	17,60.74
	58,86,52.73	72,92,83.73

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(iii) The amounts receivable from customers become due after expiry of credit period which on an average is ranging between 90 to 270 days.

(iv) Majority of the Parent's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component. As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Parent has a right to receive the consideration. Accordingly, the Parent has availed the practical expedient in terms of Ind AS 115 and disclosures with respect to performance obligations remaining unsatisfied (or partially unsatisfied) at the balance sheet date have not been made.

38. Other Income (Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Interest Income			
On Current Investments		**81.73**	1,82.16
On loans, deposits, overdue debts etc.		**72,75.11**	53,40.08
On Financial Assets measured at amortised cost		**44.55**	22.34
On Income Tax		**–**	1,71.60
Net gain on sale / redemption of Current investments (net)		**6,14.14**	4,55.71
Net gain on fair valuation of Current investments through profit or loss (net)		**8,72.98**	8,65.91
Profit on sale of Property, Plant and Equipment (net)		**10,33.49**	–
Net gain on derecognition of financial assets at amortised cost		**0.65**	4.72
Excess provision against trade receivable/advances written back (net)		**2,16.42**	–
Liability / Provision no longer required written back	38.2	**99,72.19**	13,64.19
Miscellaneous income	38.1	**13,46.11**	39,04.40
		2,14,57.37	1,23,11.11

38.1 Miscellaneous income includes:

a) Deferred Income in respect of Government Grants amounting to Rs. 25.64 lakhs (previous year Rs. 6,72.81 lakhs) as detailed in note 29.1.

b) Nil (previous year Rs. 25,14.23 lakhs) being the reimbursement of countervailing duty paid by the subsidiary on import of DI Pipes consequent to the decision of European Commission dated October 09, 2024.

38.2 During the year, the parent under The West Bengal Sales Tax (Settlement of Dispute) Act, 1999 as amended by the West Bengal Sales Tax (Settlement of Dispute) (Amendment) Act, 2025 ('SOD'), has availed the settlement in terms of the SOD in respect of demands of Rs. 27,62.77 lakhs for Entry Tax (excluding interest and late fee) against the parent pertaining to the period from April 01, 2012 to June 30, 2017 and Rs. 20,72.38 lakhs has been paid in full and final settlement of these demands. Consequent to this, Rs. 63,62.00 lakhs being the resultant additional amount of provision made in earlier years has been written back and included under Liability/Provision no longer required written back.

39. Cost of materials consumed (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Raw materials consumed	**28,74,73.19**	36,44,30.45
	28,74,73.19	36,44,30.45

40. Purchases of Stock In Trade (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
DI Pipes & fittings	**1,64,11.64**	1,61,92.29
	1,64,11.64	1,61,92.29

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

41. Changes in inventories of finished goods, Stock-in-Trade and Process Stock (Rs. in lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock		
Finished goods	**9,18,31.47**	7,79,01.75
Add: Acquisition through business combination (refer note 59)	**84,55.77**	27,52.70
Stock-in-trade (in respect of goods acquired for trading)	**41,63.95**	36,31.86
Process stock	**2,24,84.95**	1,44,23.30
Scrap and By Products	**87,24.57**	67,58.08
	13,56,60.71	10,54,67.69
Adjustment: On account of Foreign currency translation (refer note 41.1)	**(1,11,88.76)**	(20,83.45)
Less: Closing stock		
Finished goods	**10,65,28.37**	9,18,31.47
Stock-in-trade (in respect of goods acquired for trading)	**27,99.94**	41,63.95
Process stock	**1,87,06.16**	2,24,84.95
Scrap and By Products	**50,57.16**	87,24.57
	13,30,91.63	12,72,04.94
	1,37,57.84	(1,96,53.80)

41.1 Foreign currency translation adjustment relates to conversion difference arising on translation of inventories being a balance sheet item at closing rate in terms of Ind AS.

42. Employee Benefits Expense (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages	50	**5,15,25.15**	4,85,69.17
Contribution to provident and other funds	50	**50,11.27**	37,40.96
Staff welfare expenses		**29,87.85**	28,76.72
		5,95,24.27	5,51,86.85

43. Finance Costs (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense		**1,26,27.04**	1,46,41.33
Other borrowing cost	43.1	**10,21.34**	11,00.75
Applicable (gain)/loss on foreign currency transactions and translation		**7,70.13**	10,14.18
Less: Transferred to Capital Work in Progress (CWIP)	43.2	**(44.34)**	(6,85.39)
		1,43,74.17	1,60,70.87

43.1 Other Borrowing cost includes Rs. 3,68.09 lakhs (previous year Rs. 4,49.49 lakhs) towards lease obligation of Right of Use Assets (refer note 45.3).

43.2 Interest @ 7.10% on general funds borrowed for the purpose of obtaining a qualifying assets has been capitalised as provided in terms of Ind AS 23 "Borrowing Costs".

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

44. Depreciation and Amortisation Expenses

(Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Depreciation on Tangible and ROU Assets	5 and 7	**1,68,61.07**	1,40,61.31
Amortisation of Intangible Assets	6	**3,94.87**	1,43.95
		1,72,55.94	1,42,05.26

45. Other Expenses

(Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Consumption of stores and spare parts		**4,34,80.76**	5,46,83.52
Power and fuel		**3,20,77.44**	3,57,23.74
Material Handling Charges		**83,25.59**	89,21.66
Rent	45.3	**35,41.41**	25,09.03
Repairs to buildings		**7,58.25**	11,64.35
Repairs to machinery		**45,71.01**	50,57.76
Insurance		**25,41.30**	19,21.74
Rates and taxes		**15,76.77**	13,58.67
Service Charges		**1,32,62.79**	1,39,13.86
Directors fees and commission	56	**1,13.09**	1,35.40
Freight and forwarding charges / Inspection Charges		**3,96,32.50**	5,16,22.16
Commission to selling agents		**47,75.30**	65,01.95
Loss on sale/discard of Property,Plant and Equipment (net)		**–**	13,82.19
Sundry balances/advances/investment written off		**44.78**	26.55
Bad debts		**50.79**	10.09
Provision for inflationary and other risks		**–**	72.35
Net loss/(Gain) on foreign currency transaction and translation		**(32,59.05)**	(15,74.76)
Net Loss/(Gain) on fair valuation of Derivative Instruments through Profit and Loss		**17,15.94**	5,43.08
Charity and Donation		**4,14.93**	2.55
Miscellaneous expenses	45.1 and 45.2	**2,51,14.23**	2,82,88.25
		17,87,37.83	21,22,64.14

45.1 Miscellaneous expenses includes Auditor's Remuneration:

(Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
(a) Audit Fees:		
i) Parent	**29.00**	29.00
ii) Others	**2,57.28**	2,03.51
(b) Limited Review and other certification charges	**46.55**	35.65
(c) Reimbursement of expenses	**5.82**	6.92

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

45.2 Disclosure in respect of Corporate Social Responsibility ('CSR') activities included under Other Miscellaneous Expenses:

(Rs. in lakhs)

	Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Gross amount required to be spent by the Parent during the year		**15,04.36**	12,24.74
	Add: Shortfall of previous year		**79.06**	–
	Less: Excess amount spend in previous year utilised during the year		**–**	9.82
	Net amount required to be spend by the Parent during the year		**15,83.42**	12,14.92
(b)	Amount spent during the year on :			
	(i) Construction / acquisition of any assets		**–**	–
	(ii) On purpose other than (i) above		**16,07.06**	11,35.86
(c)	Shortfall/(excess) at the end of the year		**(23.64)**	79.06
(d)	Total of previous year shortfall		**–**	–
(e)	Reason for shortfall		**N.A**	*
	* The parent could not spent the entire amount as approved by the Committee due to delay in identification of sources of application.			
(f)	Nature of CSR activities	1. Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government.		
		2. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.		
		3. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.		
		4. Contribution to Prime Minister National Relief Fund		
		5. Medical and health care.		
		6. Rural Development Projects		
(g)	Details of related party expenditure		**–**	–
(h)	Provision with respect to a liability incurred on entering into a contractual obligation		**–**	–

45.3 **Disclosure as per Ind AS 116 "Leases"**

45.3.1 **Movement in Lease Liabilities**

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	**65,77.10**	68,32.54
Additions	**9,87.74**	1,42.89
Interest Cost accrued during the year	**3,68.09**	4,49.49
Deletions	**(10,80.60)**	–
Other Adjustments	**(8,96.53)**	(3,97.02)
Exchange difference on translation of foreign operations	**3,27.85**	89.21
Payment of lease liabilities	**(14,45.13)**	(5,40.01)
Balance at the end	**48,38.52**	65,77.10

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

45.3.2 **Other disclosures** (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Future payment of lease liabilities on an undiscounted basis are as follows:		
Less than one year	**14,67.20**	19,92.03
One to five years	**34,08.12**	48,18.47
More than five years	**29,39.29**	34,01.24
Lease liabilities included in the statement of financial position	**48,38.52**	65,77.10
Current Lease Liabilities	**12,94.15**	16,92.57
Non-Current Lease Liabilities	**35,44.37**	48,84.53

45.3.3 **Amounts recognised in Profit or Loss** (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Interest expense on lease liabilities	**3,68.09**	4,49.49
Depreciation on right-of-use assets	**12,18.86**	10,97.68
Expense relating to short-term leases (included in other expenses)	**35,41.41**	25,09.03
Total	**51,28.36**	40,56.20

46. Exceptional Items (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Exceptional Items		
Past service cost of employee benefits	**38,38.26**	–
	38,38.26	–

46.1 The Government of India vide notification dated November 21, 2025 has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as 'the Labour Code') consolidating and replacing the then existing multiple labour legislations in the country. In accordance with the requirements of Ind AS 19, 'Employee Benefits', changes to employee benefit resulting from legislative amendments constitute a plan amendment, necessitating the immediate recognition of any variation in the costs upon such notification. Consequently, the potential impact on the employee benefit and expenses on account of past service costs in respect of Gratuity and Leave Encashment amounting to Rs. 38,38.26 lakhs as evaluated and determined by an independent actuary or otherwise as estimated has been recognised. The development and further clarifications in this respect will continue to be monitored and consequential adjustments will be given effect to in the year of determination.

47. Tax Expenses (Rs. in lakhs)

Particulars	**Ref. note no.**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Current tax			
In respect of the current year		**43,82.62**	2,16,28.36
In respect of earlier year		**1,03.49**	–
Total Current tax expense recognised		**44,86.11**	2,16,28.36
Deferred tax	28	**12,53.03**	(69,87.88)
Total Deferred tax expense recognised		**12,53.03**	(69,87.88)
Total Tax expense recognised		**57,39.14**	1,46,40.48

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

47.1 **Reconciliation of Income tax expense for the year with accounting profit is as follows:**

Taxable Income differs from 'profit before tax' as reported in the consolidated 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. Details in this respect are as follows:

(Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax		**2,18,86.67**	8,56,11.76
Income tax expense calculated at tax rate in respective jurisdiction		**51,52.09**	2,25,13.67
Less : Effect of income Exempt from taxation/ deductible for computing taxable profit			
– Effect of change in taxation rate/tax base for Capital Gain	47.2	**–**	(80,98.17)
– Others		**(75.39)**	(10.58)
Effect of other adjustments in respect of earlier year		**1,21.26**	–
Effect of tax free income/loss in respect of subsidiaries		**(48.35)**	(2,33.90)
Add : Effect of expenses that are not deductible in determining taxable profit			
– CSR Expenditure and Charity/Donation		**4,80.03**	2,85.87
– Others		**1,09.50**	1,83.59
Income tax expense recognised in consolidated statement of profit and loss		**57,39.14**	1,46,40.48

47.2 Consequent to the change in rate of taxation on Capital Gain and withdrawal of indexation benefit pursuant to the Finance (No.2) Act 2024, computation of deferred tax liability carried forward from previous year had been revised by the parent during the year ended March 31,2025 and resultant differential amounting to Rs. 80,98.17 lakhs (net) being no longer required had been reversed and adjusted against the deferred tax charge for year ended March 31, 2025.

47.3 **Income tax recognised in other comprehensive income** (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax			
Arising on income and expenses recognised in other comprehensive income:			
Net fair value gain on investments in equity shares at FVTOCI	28	**(0.07)**	(0.90)
Remeasurement of defined benefit obligation	28	**(1,45.27)**	29.78
Total income tax recognised in other comprehensive income		**(1,45.34)**	28.88
Bifurcation of the income tax recognised in other comprehensive income into:-			
Items that will not be reclassified to profit or loss		**(1,45.34)**	28.88

47.4 The Group meets OECD Pillar Two Global Minimum tax revenue threshold. Pillar Two legislation has been enacted in certain countries and thereby Pillar Two top up tax liability has arisen for certain subsidiaries for the year ended March 31, 2026 which has been accounted for as Current Tax expenses. The Group has applied the exception for recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two Income Tax as provided in the Amendment to Ind AS 12. The Group is continuing to assess the potential impact of Pillar Two income taxes in future periods.

48. Components of Other Comprehensive Income (Rs. in lakhs)

Particulars	Ref. note no.	For the year ended March 31, 2026	For the year ended March 31, 2025
Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of defined benefit plans	50	**5,77.18**	(1,18.31)
Equity Instrument through Other Comprehensive Income		**(2,86.69)**	(10,31.43)
		2,90.49	(11,49.74)
Items that will be reclassified to Statement of Profit and Loss			
Foreign currency translation difference		**61,03.71**	8,70.28
		61,03.71	8,70.28

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

49. FINANCIAL INSTRUMENTS

a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:-

(Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade receivables	**10,70,60.42**	**10,70,60.42**	14,82,74.45	14,82,74.45
Cash and Bank balances	**1,83,18.17**	**1,83,18.17**	1,74,28.09	1,74,28.09
Fixed Deposits with Banks	**4,18,00.23**	**4,18,00.23**	6,28,42.68	6,28,42.68
Loans	**5,00.61**	**5,00.61**	1,10.46	1,10.46
Other Financial Assets	**2,21,10.41**	**2,21,10.41**	2,48,12.18	2,48,12.18
Financial Assets measured at Fair Value through Profit and Loss Account				
Current Investments	**5,31,30.47**	**5,31,30.47**	95,88.03	95,88.03
Financial Assets measured at Fair Value through Other Comprehensive Income				
Investment in Equity Instruments	**46,47.25**	**46,47.25**	49,33.94	49,33.94
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings - fixed rate	**8,57,08.78**	**8,57,08.78**	14,19,68.45	14,19,68.45
Borrowings - floating rate	**6,55,58.58**	**6,55,58.58**	6,39,99.75	6,39,99.75
Lease Liabilities	**48,38.52**	**48,38.52**	65,77.10	65,77.10
Trade Payables	**5,52,43.99**	**5,52,43.99**	5,56,52.16	5,56,52.16
Other Financial Liabilities	**7,36,47.90**	**7,36,47.90**	6,34,86.09	6,34,86.09
Financial Liabilities measured at Fair Value through Profit and Loss Account				
Derivative Instruments	**17,15.94**	**17,15.94**	5,43.08	5,43.08

b) Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount 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:

1. The fair value of cash and cash equivalents, current trade receivables and payables, current loans, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The group considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the consolidated financial statements approximate their fair values. In respect of non current liabilities and loans, fair value is determined by using discount rates that reflect the present borrowing rate of the group.
2. The group's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the prevailing rates for similar borrowings in the market.
3. Investments (other than Investments in Joint Venture) traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investment in liquid and short term mutual fund/Alternate Investment Funds which are classified as Fair value through Profit and Loss are measured using quoted net assets value at the reporting date and in case of debentures, bonds and government securities, net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.
4. The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility etc. The said valuation has been carried out by the counter party with whom the contract has been entered with and management has evaluated the credit and non-performance risks associated with the counterparties and believes them to be insignificant and not requiring any credit adjustments.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

c) Fair value hierarchy

1 The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

(Rs. in lakhs)

Particulars	As at March 31, 2026	Fair value measurements at reporting date using		
		Level 1	Level 2	Level 3
		Quoted Price in active market	Singnificant observable inputs	Singnificant unobservable inputs
Financial Assets				
Current Investments	**5,31,30.47** **(95,88.03)**	28,00.94 (10,38.20)	5,03,29.53 (85,49.83)	– (–)
Investment in Equity Instruments (Non-Current)	**46,47.25** **(49,33.94)**	1.07 (1.19)	– (–)	46,46.18 (49,32.75)
Financial Liabilities				
Derivative Instrument – Not designated as hedging instrument	**17,15.94** **(5,43.08)**	– (–)	17,15.94 (5,43.08)	– (–)

(*)Figures in round brackets ( ) indicate figures as at March 31, 2025

2 During the year ended March 31, 2026 and March 31, 2025, there were no transfers between Level 1, Level 2 and Level 3.

3 The Inputs used in fair valuation measurement are as follows:

i) Fair valuation of Financial assets and liabilities not within the operating cycle of the Group is amortised based on the borrowing rate of the entities in the Group.

ii) Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the marketplace. The inputs used for forward contracts are Forward foreign currency exchange rates and Interest rates to discount future cash flow.

iii) Unquoted investments in equity shares have been valued based on the amount available to shareholder's as per the latest audited financial statements wherever available. In case of AIF, LLP's and Debentures these are based on valuation provided by external agencies.

d) Derivatives financial assets and liabilities:

Within the Group, derivatives instruments are largely entered into by the parent. The parent follows established risk management policies, including the use of derivatives to hedge its exposure to foreign currency fluctuations on foreign currency assets / liabilities. The counter party in these derivative instruments is a bank and the Parent considers the risks of non-performance by the counterparty as non-material.

(i) The following tables present the aggregate contracted principal amounts of the Group's derivative contracts outstanding:

Sl. No.	Underlying Purpose	Category	As at March 31, 2026		As at March 31, 2025		Currency
			No. of deals	Amount in Foreign Currency	No. of deals	Amount in Foreign Currency	
1.	Export Receivables	Forward	**83**	**5,65,23,345**	61	4,87,02,582	USD/INR
2.	Export Receivables	Forward	**8**	**42,50,000**	7	36,00,000	GBP/USD
3.	Export Receivables	Forward	**7**	**40,00,000**	6	37,00,000	GBP/INR
4.	Export Receivables	Forward	**33**	**2,03,00,000**	25	1,85,50,000	EURO/USD
5.	Export Receivables	Forward	**23**	**1,41,12,553**	25	2,11,08,513	EURO/INR
6.	Export Receivables	Forward	**2**	**10,00,000**	3	17,50,000	SGD/USD
7.	Export Receivables	Option	**–**	**–**	3	30,00,000	EURO/USD
8.	Export Receivables	Option	**–**	**–**	1	13,50,000	EURO/INR
9.	Loan Receivables	Forward	**1**	**40,00,000**	–	–	EURO/INR
10.	Suppliers Credit/Imports/Other payables	Forward	**43**	**3,30,69,650**	51	5,89,60,057	USD/INR
11.	Suppliers Credit/Imports/Other payables	Forward	**–**	**–**	1	10,00,000	EURO/USD
12.	Suppliers Credit/Imports/Other payables	Option	**2**	**20,00,000**	2	20,00,000	USD/INR
13.	Interest payment	Interest Rate Swap	**2**	**4,908**	–	–	EURO/USD

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(ii) Unhedged Foreign Currency exposures are as follows: -

(Amount in Foreign Currency)

Nature	**Currency**	**As at March 31, 2026**	As at March 31, 2025
Payables			
Imports & Other payables	USD	**87,74,988**	26,93,249
Imports & Other payables	EURO	**2,47,946**	94,981
Imports & Other payables	GBP	**15,051**	42,421
Imports & Other payables	AUD	**40,136**	25,728
Receivable			
Exports & Other receivables	GBP	**9,89,665**	–
Exports & Other receivables	SGD	**3,01,988**	2,13,598
Exports & Other receivables	EURO	**24,15,734**	–

iii) The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the balance sheet date:

(Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Not later than one month	**1,49.99**	(3,14.46)
Later than one month and not later than three months	**(4,11.86)**	16.80
Later than three months and not later than one year	**(14,54.07)**	(2,45.42)
Later than one year	**–**	–

e) Sale of Financial Assets

In the normal course of business, the Group transfers its bill receivables to banks. Under the terms of the agreements, the Group surrenders control over the financial assets and the transfer is with recourse. Under arrangement with recourse, the group is obligated to repurchase the uncollected financial assets, subject to limits specified in the agreement with banks. Accordingly, in such cases the amount transferred are recorded as borrowings in the statement of financial position and cash flows from financing activities. As at March 31, 2026 and March 31, 2025 the maximum amount of recourse obligation in respect of financial assets are Rs 2,90,95.06 lakhs and Rs. 5,15,06.02 lakhs respectively.

f) Financial Risk Management

The Group's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The respective entity's Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Group’s policies and risk objectives.

1 MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of Market risks are currency risk, interest rate risk, commodity price risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments in fixed deposit/ Mutual Funds/ Bonds/ Alternative Investment Funds and trade and other payables.

i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the risk of changes in foreign exchange rates relates primarily to the Parent’s foreign currency denominated borrowings, trade receivables and trade or other payables, as other entities in the Group does not have any significant currency risk with respect to their respective currency being the primary currency in which transactions are undetaken. Accordingly, the following explains the process followed by the Parent, being the largest component of the Group.

In order to mitigate forex losses, the Parent over and above the natural hedge available against foreign currency transactions has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts, options and swaps. The Parent periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

The carrying amount of various exposures to foreign currency as at the end of the reporting period of the parent's Standalone Financial Statement are as follows:

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Loans Given**	**Trade receivables**	**Loans and borrowings**	**Trade payables and Other Liabilities**	**Net Assets/ (liabilities)**
USD	**–**	**2,06,49.35**	**(2,95,73.72)**	**(1,20,04.16)**	**(2,09,28.53)**
EURO	**44,50.56**	**3,99,39.01**	**–**	**(2,10.76)**	**4,41,78.81**
GBP	**–**	**1,15,52.66**	**–**	**(18.82)**	**1,15,33.84**
SGD	**–**	**9,56.52**	**–**	**–**	**9,56.52**
AUD	**–**	**–**	**–**	**(26.08)**	**(26.08)**
TOTAL	**44,50.56**	**7,30,97.54**	**(2,95,73.72)**	**(1,22,59.82)**	**3,57,14.56**

As at March 31, 2025 (Rs. in lakhs)

Particulars	Loans Given	Trade receivables	Loans and borrowings	Trade payables and Other Liabilities	Net Assets/ (liabilities)
USD	–	1,75,36.62	(4,16,83.00)	(1,27,21.48)	(3,68,67.86)
EURO	–	4,04,45.79	–	(87.89)	4,03,57.90
GBP	–	66,94.08	–	(46.91)	66,47.17
SGD	–	12,50.21	–	–	12,50.21
AUD	–	–	–	(13.82)	(13.82)
TOTAL	–	6,59,26.70	(4,16,83.00)	(1,28,70.10)	1,13,73.60

Derivative financial assets and liabilities dealing with outstanding derivative contracts and unhedged foreign currency exposure has been detailed in earlier parts.

With all other variables held constant, the following table demonstrates the sensitivity in respect of fluctuation of USD, EURO, GBP and other currencies to the Indian Rupee :

(Rs. in lakhs)

Particulars	**Effect on Profit before tax**	
	For the year ended March 31, 2026	For the year ended March 31, 2025
RECEIVABLES (Weaking of INR by 5%)		
USD	**1,31.32**	–
GBP	**61.87**	–
SGD	**11.10**	6.81
PAYABLES (Weaking of INR by 5%)		
USD	**(4,16.07)**	(1,15.10)
EURO	**(13.48)**	(4.39)
GBP	**(0.94)**	(2.35)
AUD	**(1.30)**	(0.69)

A 5% strengthening of INR would have an equal and opposite effect on the Group's consolidated financial statements

ii) **Interest rate risk**

The group's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Considering the same, the carrying amount of said borrowing was considered to be at fair value. Borrowings at fixed interest rate exposes the Group to the fair value interest rate risk. The group maintains a portfolio mix of fixed and floating rate borrowings. As at March 31, 2026, approximately 56.66% (previous year 68.93%) of the group's borrowings are at fixed rate.

Further there are deposits with banks which are for short term period are exposed to interest rate risk, falling due for renewal. These deposits are however generally for trade purposes as such do not cause material implication. Additionally, the Parent has certain fixed deposit created in respect of amount withdrawn against claim as dealt within note 11.1 which are periodically renewed till the final settlement.

With all other variables held constant, the following table demonstrates the sensitivity of the finance cost on floating rate portion of loans and borrowings.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Nature of Borrowing	**Increase in basis points**	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Rupee Loan	+50	**1,75.96**	1,99.66
Borrowings in local currency by other entities of the Group	+25	**75.92**	60.79

A decrease in 50 basis point in Rupee Loan and 25 basis point in Borrowings in local currency by other entities of the Group would have an equal and opposite effect on the Group's consolidated financial statements

iii) **Commodity Risk**

The Group's revenue is exposed to the market risk of price fluctuation related to sale of products which is generally determined by market forces. These prices may be influenced by factors such as supply and demand, production costs (including cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce revenue of the Group. The Group is also subject to fluctuation in prices of iron ore, coking coal, ferro alloys, zinc and other raw material inputs.

The group aims to sell the products at prevailing market prices and procure key raw material based on prevailing market rates. However, contracts with the customers generally have a delivery period ranging from 90 to 180 days, resulting in mismatch of cost and sales realisation. Further the lead time for procurement of imported material consisting of Coal and other Ferrous products have an impact on overall operation.

iv) Other price risk

Group's current investments are fair valued through profit and loss and non current investment at fair value through Other Comprehensive Income ('OCI'). The Group also invest in mutual fund schemes, AIF, LLP's and Debentures of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact return and value of such investments. However, given the relatively short tenure of underlying portfolio in which the Group has invested, such price risk is not significant.

2 CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables). Each entity comprising the group manages its own credit risk whereby there is a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Major water infrastructure projects are Government funded or foreign aided and the risk involved in payment default is minimum with respect to these customers. Besides, export receivables is covered under Credit Insurance. Each entity in the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Further the Group obtains necessary security including letter of credits and/or bank guarantee to mitigate its credit risk.

The carrying amount of respective financial assets recognised in the consolidated financial statements, (net of impairment losses) represents the Group’s maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivables balance at the end of the year, there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2026 and March 31, 2025. The Group takes collateral or other credit enhancements to secure its credit risk.

The Group extends credit to customers as per the internal credit policy. Any deviation are approved by appropriate authorities, after due consideration of the customers credentials and financial capacity, trade practices and prevailing business and economic conditions. Group’s historical experience of collecting receivables and the level of default indicate that credit risk is low and is generally uniform across the markets. Consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the customers etc. The Group computes credit loss allowance based on a provision matrix of historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

Financial assets that are past due but not impaired

Trade receivables that are past due at the end of the reporting period, no credit losses there against are expected to arise. The Group also takes advance, letter of credit and bank guarantee from its customers, which mitigates the credit risk to that extent.

3 LIQUIDITY RISK

The group determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

and long term needs. The group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent. Each entity in the group has arranged for diversified funding sources and adopted a policy of managing liquidity by monitoring future cashflows and generating liquidity in the system on a regular basis. Surplus funds not immediately required are invested in certain mutual funds, AIF, LLP's, bonds, debentures, fixed deposits etc. which provide flexibility to liquidate as needed for the operations. Besides, the current committed line of credit are sufficient to meet its short to medium term fund requirement.

i) Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows as at Balance Sheet date:

Interest rate and currency of borrowings

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Total Borrowings**	**Floating rate borrowings**	**Fixed rate borrowings**	**Weighted average Interest Rate (%)**
INR	**9,06,36.24**	**3,51,92.51**	**5,54,43.73**	**6.71%**
USD	**3,49,42.79**	**53,57.89**	**2,95,84.90**	**4.61%**
GBP	**1.20**	**1.20**	**–**	**7.00%**
EUR	**2,31,35.90**	**2,24,55.75**	**6,80.15**	**4.16%**
SGD	**24,70.79**	**24,70.79**	**–**	**4.16%**
DZD	**80.44**	**80.44**	**–**	**8.50%**
Total	**15,12,67.36**	**6,55,58.58**	**8,57,08.78**	

As at March 31, 2025 (Rs. in lakhs)

Particulars	Total Borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted average Interest Rate (%)
INR	13,83,69.89	3,99,32.39	9,84,37.50	7.69%
USD	4,65,30.30	48,29.05	4,17,01.25	4.99%
GBP	77,14.47	77,14.47	–	7.52%
EUR	1,05,21.45	89,40.49	15,80.96	4.19%
BHD	2,48.74	–	2,48.74	4.19%
SGD	24,12.28	24,12.28	–	4.19%
DZD	1,71.07	1,71.07	–	8.50%
Total	20,59,68.20	6,39,99.75	14,19,68.45	

Maturity Analysis of Financial Liabilities

As at March 31, 2026 (Rs. in lakhs)

Particulars	**Carrying Amount**	**On Demand**	**Less than 6 months**	**6 to 12 months**	**> 1 year**	**Total**
Interest bearing borrowings* (including current maturities)	**15,12,67.36**	**–**	**11,09,86.84**	**1,49,10.74**	**2,53,69.78**	**15,12,67.36**
Lease Liabilities	**48,38.52**	**–**	**6,32.15**	**6,62.00**	**35,44.37**	**48,38.52**
Other Financial Liabilities	**7,36,47.90**	**–**	**1,76,76.61**	**–**	**5,59,71.29**	**7,36,47.90**
Trade Payables	**5,52,43.99**	**–**	**5,52,43.99**	**–**	**–**	**5,52,43.99**

* Include Rs 2.82 lakhs as Prepaid Finance Charges.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Interest bearing borrowings* (including current maturities)	20,59,68.20	1,27,14.60	16,07,10.34	1,07,21.84	2,18,21.42	20,59,68.20
Lease Liabilities	65,77.10	5,52.00	5,70.42	5,70.15	48,84.53	65,77.10
Other Financial Liabilities	6,34,86.09	–	75,45.80	-	5,59,40.29	6,34,86.09
Trade Payables	5,56,52.16	–	5,56,52.16	–	–	5,56,52.16

* Include Rs 1,53.43 lakhs as Prepaid Finance Charges.

The Group has current financial assets which will be realised in ordinary course of business. The Group ensures that it has sufficient bandwidth on demand to meet expected operational expenses. The Group relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

g) CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. Group's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Group is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without affecting the risk profile of the Group.

The gearing ratio are as follows: (Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Borrowings	**15,12,67.36**	20,59,68.20
Less: Cash and Cash Equivalents	**2,94,41.45**	1,67,35.31
Less: Surplus fund parked in fixed deposits and Current Investments	**5,31,30.47**	95,88.03
Net Debt	**6,86,95.44**	17,96,44.86
Equity	**59,24,36.25**	57,82,72.02
Equity and Net Debt	**66,11,31.69**	75,79,16.88
Gearing Ratio	**0.10**	0.24

50. Post Retirement Employee Benefits

Disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

a) Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized for the year are as under: (Rs. in lakhs)

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Employer's Contribution to Provident Fund	**7,46.76**	7,10.76
Employer's Contribution to Pension Fund	**3,96.23**	3,95.89
Employer's Contribution to Superannuation Fud	**37.45**	36.33
Employer's Contribution to National Pension Scheme Fund	**1,87.11**	1,42.72
Employer's Contribution to Employee Welfare Sadhan Scheme	**5.42**	2.28
Subsidiaries Contribution to Social Security, Retirement and Pension scheme	**31,25.18**	19,89.80

b) Post Employment Defined Benefit Plans

In case of Parent, Post Employment Defined Benefit Plans are managed by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Details of such funds are as follows:

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

i) Gratuity (Unfunded) in respect of subsidiary companies

In case of certain subsidiaries as per the applicable law in the host country, provision is made for end-of-service gratuity liability to the staff at the balance sheet date based on the last drawn salary. The management of the respective subsidiaries is of the opinion that no significant difference would have arisen, had the liability been calculated on actuarial basis as salary inflation and discount rate are likely to have approximately equal and opposite effects.

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Electrosteel Casting Gulf FZE	**48.41**	40.17
Electrosteel Bahrain Holding WLL	**33.17**	29.86
Electrosteel Doha for Trading LLC	**4.98**	3.60
TIS Services S.p.A	**12,22.44**	–

ii) Gratuity (Funded) – Parent

The Parent's gratuity scheme, a defined plan is as per the Payment of Gratuity Act 1972 as consolidated as into The Code on Social Security' 2020, covers the eligible employees and is administered through Gratuity Fund Trust. Such gratuity trust investments are managed by Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited. The insurer makes payment to vested employees or their nominee upon retirement, death, incapacitation or cessation of employment of an amount based on the respective employee's salary and tenure of employment. Vesting occurs on completion of five year of service. The amount of gratuity payable is the last drawn basic salary per month computed proportionately for 15 days of salary multiplied for the number of year service.

The following table set forth the particulars in respect of aforesaid defined plan of the Parent for the year ended March 31, 2026 and corresponding figure of the previous year:

(Rs. in lakhs)

		Gratuity (Funded)	
		2025 – 26	2024 – 25
i)	**Change in the fair value of the defined benefit obligation:**		
	Liability at the beginning of the year	**73,56.39**	65,57.89
	Interest Cost	**4,65.48**	4,55.76
	Current Service Cost	**4,40.41**	4,22.83
	Past Service Cost	**21,37.95**	–
	Actuarial (gain) / loss on obligation		
	Remeasurements - Due to Financial Assumptions	**(4,31.76)**	2,89.72
	Remeasurements - Due to Experience Adjustments	**(2,83.29)**	(92.29)
	Benefits paid	**(4,35.81)**	(2,77.52)
	Liability at the end of the year	**92,49.37**	73,56.39
ii)	**Changes in the Fair Value of Plan Asset**		
	Fair value of Plan Assets at the beginning of the year	**59,99.48**	54,43.51
	Expected Return on Plan Assets	**3,92.77**	3,89.59
	Contributions by the Parent	**4,81.78**	3,64.78
	Benefits paid	**(4,35.81)**	(2,77.52)
	Remeasurements - Return on Assets (Excluding Interest Income)	**(1,37.87)**	79.12
	Fair value of Plan Assets at the end of the year	**63,00.35**	59,99.48
iii)	**Actual return on Plan Asset**		
	Expected return on Plan assets	**3,92.77**	3,89.59
	Actuarial gain / (loss) on Plan Assets	**(1,37.87)**	79.12
	Actual Return on Plan Assets	**2,54.90**	4,68.71
iv)	**Amount Recognized in Balance Sheet**		
	Liability at the end of the year	**92,49.37**	73,56.39
	Plan Assets at the end of the year	**63,00.35**	59,99.48
		29,49.02	13,56.91

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

		Gratuity (Funded)	
		2025 – 26	2024 – 25
v)	**Components of Defined Benefit Cost**		
	a) Recognised in Employee Benefit Expenses		
	Current Service Cost	**4,40.41**	4,22.83
	Interest Cost	**4,65.48**	4,55.76
	Expected Return on Plan Assets	**(3,92.77)**	(3,89.59)
		5,13.12	4,89.00
	b) Recognised in Exceptional Item		
	Past Service Cost	**21,37.95**	–
		21,37.95	–
vi)	**Components of Other Comprehensive Income**		
	Remeasurements - Due to Financial Assumptions	**(4,31.76)**	2,89.72
	Remeasurements - Due to Experience Adjustments	**(2,83.29)**	(92.29)
	Remeasurements - Return on Assets (Excluding Interest Income)	**1,37.87**	(79.12)
		(5,77.18)	1,18.31
vii)	**Balance Sheet Reconciliation**		
	Opening Net Liability	**13,56.91**	11,14.38
	Defined Benefit Cost		
	Recognised in Employee Benefit Expenses	**5,13.12**	4,89.00
	Recognised in Exceptional Item	**21,37.95**	–
	Recognised in Statement of Other Comprehensive Income	**(5,77.18)**	1,18.31
	Employer's Contribution	**(4,81.78)**	(3,64.78)
	Amount Recognized in Balance Sheet	**29,49.02**	13,56.91

viii) Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:

Particulars	**As at March 31, 2026**	As at March 31, 2025
ICICI Balanced Fund	**45.32%**	40.50%
ICICI Debt Fund	**18.27%**	28.85%
Life Insurance Corporation of India	**36.41%**	30.65%

Other long term Employee benefits

Compensated Absences

The obligation for compensated absences is recognized in the same manner as gratuity except remeasurement benefit which is treated as a part of Consolidated Statement of Profit and Loss. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the Parent as at March 31, 2026 and March 31, 2025 are given below:

(Rs. in lakhs)

Particulars	**As at March 31, 2026**	As at March 31, 2025
Privileged Leave	**38,51.12**	27,72.36
Sick Leave	**12,15.84**	14,83.03
Principal Actuarial assumptions as at the Balance Sheet date		
Discount Rate	**7.23%**	6.51%-6.55%
Expected Return on Plan Assets	**7.23%**	6.51%-6.55%
Future Salary Increase	**6.00%**	6.00%
Summary of Demographic Assumption		

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Mortality Rate	%ge of IALM (2012-14) (Mod) Mortality Table	
(ii) Disability Table (as percent of above Mortality rate)	5% of Mortality Rate	
(iii) Withdrawal rate	**1% to 8%**	1% to 8%
(iv) Retirement age	**60 to 70 years**	60 to 70 years
(v) Average future service	**16.27**	16.55
(vi) Weighted average duration of Defined Benefit Obligation	**4.37**	4.65

Notes : i) Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.

ii) The Parent expects to contribute Rs. 5,40.00 lakhs to Gratuity fund in 2026-27.

Sensitivity analysis: (Rs. in lakhs)

Particulars	Change in Assumption	Effect in Gratuity Obligation
For the year ended March 31, 2026		
Discount Rate	**+1%**	**(5,57.96)**
	-1%	**6,28.04**
Salary Escalation	**+1%**	**5,82.70**
	-1%	**(5,27.40)**
Withdrawal Rate	**+1%**	**39.72**
	-1%	**(43.99)**
For the year ended March 31, 2025		
Discount Rate	+1%	(4,58.61)
	-1%	5,58.52
Salary Growth Rate	+1%	5,50.27
	-1%	(4,59.41)
Withdrawal Rate	+1%	31.59
	-1%	3.38

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Consolidated Balance Sheet. The method and type of assumption used in preparing the sensitivity analysis did not change compared to prior period.

Risk analysis

Through its defined benefit plans, the Parent is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and, management's estimation of the impact of these risks are as follows:

Investment risk

The Gratuity plan is funded with Life Insurance Corporation of India and ICICI Prudential Life Insurance Company Limited and the Parent does not have any liberty to manage the fund provided to them. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to yield of Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

Longevity risk / Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Estimate of expected benefit payments (In absolute terms i.e. undiscounted) (Rs. in lakhs)

Particulars	**Gratuity**
April 01, 2025 to March 31, 2026	**18,36.21**
April 01, 2026 to March 31, 2027	**9,19.10**
April 01, 2027 to March 31, 2028	**6,40.43**
April 01, 2028 to March 31, 2029	**6,22.36**
April 01, 2029 Onwards	**30,56.02**

Particulars	**As at March 31, 2026**	As at March 31, 2025
Average no. of people employed by the Parent	**2884**	2985

51. Calculation of Earning Per Share is as follows: (Rs. in lakhs)

	Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
(a)	Net profit for basic and diluted earnings per share as per Consolidated Statement of Profit and Loss	**1,61,43.59**	7,09,55.79
	Net profit for basic and diluted earnings per share	**1,61,43.59**	7,09,55.79
(b)	Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Re. 1/- per share)		
	Number of equity shares outstanding as at the beginning of the year	**618184591**	618184591
	Add: Change during the year	**–**	–
	Number of equity shares considered in calculating basic and diluted EPS	**618184591**	618184591
	Weighted average number of equity shares outstanding for Basic and Diluted Earnings per Share	**618184591**	618184591
(d)	Earnings per share (EPS) of Equity Share of Re. 1 each:		
	i) Basic (Rs.) (a/b)	**2.61**	11.48
	ii) Diluted (Rs.) (a/b)	**2.61**	11.48

52. **(a)** In pursuance of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court of India ('the Order'), followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, allotment of Parbatpur coal block ('coal block'/'mine') to the Parent, which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance (subsequently promulgated into Coal Mines (Special Provisions) Act, 2015 i.e. 'CMSP Act'), the Parent was allowed to continue the operations in the said coal block till March 31, 2015. Accordingly, the said coal block had been handed over to Bharat Coking Coal Limited ('BCCL') as per the direction from Ministry of Coal ('Ministry'), with effect from April 01, 2015 and the same was thereafter allotted to Steel Authority of India Limited ('SAIL') and an initial compensation of Rs. 84,32.32 lakhs was awarded, of which Rs. 83,12.14 lakhs was received by the Parent. SAIL subsequently surrendered the coal block and handed over the said coal block back to the custody of BCCL.

Following a petition filed by the Parent, challenging the method and amount of compensation being determined, the Hon'ble High Court of Delhi pronounced its judgement on March 09, 2017 laying down the principles of determination of revised compensation. Accordingly, based on the said judgement, the Parent claimed Rs.15,49,44.48 lakhs towards compensation against the said coal block, acceptance whereof is awaited. The then Nominated Authority, for deciding the amount of compensation, had passed an order, after the above judgement, revising the compensation by a small amount. However, upon an appeal being made by the Parent, the said order was set aside by the Hon'ble High Court, with a direction to the Nominated Authority to reconsider the same. The Nominated Authority thereafter passed an order dated November 11, 2019 awarding an additional compensation of Rs. 1,80.00 lakhs, with a further direction to determine the value of certain assets forming part of the mine infrastructure, liable for compensation in terms of the CMSP Act to the Parent. Subsequently, the Nominated Authority, appointed a valuer to determine the value of those specified assets and thereafter an another valuer was also appointed for cross verification of certain back-up documents, details and indirect costs related thereto, so that to arrive at the correct valuation for compensation against those assets. Moreover, the Parent had also earlier approached the Nominated Authority/Ministry to reconsider the compensation, determined by the previous officer holding charge of office of Nominated Authority, for land and some other major assets and the final amount thereof is yet to be decided."

In the meantime, JSW Steel Limited ('JSW') had been declared as successful bidder for Parbatpur Coal Block in "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015" and vesting order dated June 08, 2023 was issued by the Ministry in their favour. JSW, as being claimed by them, took over the physical possession of said coal block and requested the Parent to initiate negotiations for utilization of movable property/ assets used in coal mining. Pursuant to this, the Parent has submitted that the matter is sub-judice and pending decision thereof, it is premature to initiate such negotiations at this stage.

On July 15, 2025, the Nominated Authority ('NA') has passed a Provisional Compensation Order of even date ('Provisional Order') declaring additional compensation of Rs. 4,76,10.62 lakhs against shaft and incline and certain other mine infrastructure and Rs. 22,60.31 lakhs against land aggregating to Rs. 4,98,70.93 lakhs in favour of the Parent. Comments/ objections sought by the Nominated Authority from the Parent, SAIL and JSW in respect of the Provisional Order have been submitted for their consideration. Subsequently, after considering the comments/objections so received, NA passed a compensation order dated November 19, 2025 ('Compensation Order') and determined that Rs. 2,53,04.42 lakhs is payable as compensation towards 'hard cost' of shafts and inclines and certain other mine infrastructure. JSW has been directed to deposit the amount of Rs. 1,96,75.74 lakhs being the aggregate amount of the compensation as above. The compensation towards soft costs of shaft and incline and land is pending determination as on this date and will therefore be decided by NA in due course of time. It has further been directed that the differential cost for preparation of updated Geological Report may be mutually settled between the parent and JSW after verification from CMPDIL. At present, JSW has since submitted a bank guarantee of the amount, directed to be deposited as above, to the NA. The CMSP Act also provides for negotiation and decide mutually between the Parent and JSW, the compensation amount towards the cost of movable assets not declared as mine infrastructure.

JSW meanwhile filed two petitions, seeking stay and challenging the Compensation Order before the Tribunal, under the CMSP Act, at Ranchi ("Tribunal"). The Tribunal denied JSW's petition seeking stay of the Compensation Order, vide an order dated January 21, 2026. Thereafter, on a petition being filed against the said denial, the Hon'ble Jharkhand High Court, vide order dated January 21, 2026 granted conditional stay against the Compensation Order, subject to JSW depositing 50% of the amount i.e. Rs. 98,37.87 lakhs as directed by NA and the same has been deposited by JSW.

Tribunal on an application filed by the parent, vide order dated March 19, 2026, has allowed the withdrawal of the amount so deposited on submission of unconditional and irrecoverable Bank Guarantee ("BG") of an equivalent amount. Pending decision on the matter, the amount so received on submitting the BG have been recognised and disclosed as "Receipt against claim for Coal Mines" under Other Financial Liabilities.

Moreover, the Parent's petition before Hon'ble High Court of Delhi, filed in earlier year, for declaration of certain assets as mine infrastructure and determination of the amount of the compensation for the coal block, pertaining to mine infrastructure and land etc., so as to arrive at the total amount of compensation against entire coal block in terms of the CMSP Act read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi, is also being actively pursued and the same is pending adjudication as on this date

Pending finalisation of the matter as above, no adjustment for the amount of the compensation has been given effect to and various balances pertaining to said mine, as appearing in the books of accounts, have been dealt with as follows:"

(i) Rs.12,88,84.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the Parent has been continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;

(ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 95,14.74 lakhs have been considered as other recoverable under current assets;

(iii) Compensation of Rs. 83,12.34 lakhs have so far been received. Further net realisations/claims against sale of assets, advances, etc. in this respect aggregates to Rs. 20,90.04 lakhs. Bank guarantee amounting to Rs. 9,20.00 lakhs has been given against the compensation received; and

(iv) Rs. 98,37.87 lakhs received against Bank Guarantee have been disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Necessary disclosures and adjustments arising with respect to above and determination of resultant claims will be given effect to on final acceptance/settlement of the amount thereof.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

52 **(b) Various balances pertaining to the claim for Coal Block handed over as above, detailed under different heads of accounts include:**

(Rs. in lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
Inventories		**14,78.76**		14,78.76
Other current assets		**13,99.78**		13,99.78
Capital Work in Progress:				
Plant and Equipment and others assets under Installation	**3,35,42.47**		3,35,42.47	
Mine Development including overburden removal expenses (Net) [(refer note 53 (a)]	**8,68,61.17**	**12,04,03.64**	8,68,61.17	12,04,03.64
Other Property, Plant and Equipment		**22,43.99**		22,43.99
Capital Advance		**1,08.94**		1,08.94
Freehold Land		**32,49.00**		32,49.00
Other balances with Banks in Fixed Deposit Escrow Accounts	**5,36.93**		5,36.93	
Less: Provision for mine closure and restoration charges	**(5,36.93)**	**–**	(5,36.93)	–
Sub Total		**12,88,84.11**		12,88,84.11
Other Recoverable		**95,14.74**		95,14.74
Less: Compensation received		**(83,12.34)**		(83,12.34)
Less: Cenvat credit utilised/claimed/written off	**(13,99.78)**		(13,99.78)	
Less: Sale of Assets and other realisations	**(6,90.26)**	**(20,90.04)**	(6,90.26)	(20,90.04)
Total		**12,79,96.47**		12,79,96.47

(c) Due to reasons stated in note 52(a) and pending determination of the amount of the claim, balances under various heads which otherwise would have been measured and disclosed as per the requirements of various Indian Accounting Standard have been continued to be included under various heads as disclosed under note 52(b) considering the prevailing circumstances and objective as dealt with herein above.

53 **(a).** The expenses incurred for projects/assets during the construction/mine development period are classified as "Project Development Expenses" and pending capitalization are included under capital work in progress and are allocated to the cost of the assets on completion of the project/assets. Consequently expenses disclosed under the respective heads are net of amount classified as project development expenses by the Parent (refer note 52). The details of these expenses are as follows :

(Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
Balance brought forward		**8,71,87.11**	8,68,61.17
Add: Finance Cost	43.2	**44.34**	6,85.39
Less:			
Allocated/Transferred during the year to completed assets.		**3,70.28**	3,59.45
Total preoperative expenses		**8,68,61.17**	8,71,87.11
Add: Opening stock 64,502 MT(previous year 64,502 MT)		**14,46.25**	14,46.25
Less: Closing stock 64,502 MT(previous year 64,502 MT)		**(14,46.25)**	(14,46.25)
Total preoperative expenses carried forward pending allocation		**8,68,61.17**	8,71,87.11

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

53 (b) Ageing schedule of Capital Work in Progress

As at March 31, 2026 (Rs. in lakhs)

Particular	**Amount in CWIP for a period of**				**Total**
	Less than 1 year	**1–2 years**	**2–3 years**	**More than 3 years**	
Projects in progress					
DIP	**16,71.43**	**4,64.96**	**–**	**–**	**21,36.39**
DIF	**–**	**–**	**–**	**–**	**–**
Coke Oven	**22,28.49**	**–**	**–**	**–**	**22,28.49**
Gasket	**12,33.50**	**3,30.71**	**2,37.92**	**–**	**18,02.13**
Others	**2,82.45**	**63.64**	**2.93**	**9.80**	**3,58.82**
Coal Mine (refer note 52) (net of compensation and other realisation)	**–**	**–**	**–**	**11,20,42.92**	**11,20,42.92**
Total	**54,15.87**	**8,59.31**	**240.85**	**11,20,52.72**	**11,85,68.75**

As at March 31, 2025 (Rs. in lakhs)

Particular	Amount in CWIP for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress					
DIP	92,07.82	18,24.74	77.20	–	1,11,09.76
DIF	4,24.02	8.99	1.65	–	4,34.66
Coke Oven	4,19.22	–	–	–	4,19.22
Gasket	3,40.57	1,15.32	–	–	4,55.89
Others	3,94.12	32.76	–	–	4,26.88
Coal Mine (refer note 52) (net of compensation and other realisation)	–	–	–	1,12,042.92	11,20,42.92
Total	**1,07,85.75**	**19,81.81**	**78.85**	**11,20,42.92**	**12,48,89.33**

(c) Projects overdue and expected completion date:

(i) As stated in note 52, the allotment of Parbatpur coal mine which were under advanced stage of implementation was cancelled vide order dated September 24, 2014. Thereby, as dealt with in note 52, the project could not be further progressed and completed. Pending determination of the amount of claim, the balances as were appearing prior to the cancellation, i.e. capital work in progress and other balances pertaining to said coal mine have not been adjusted and carried forward in the consolidated financial statement.

(ii) Status with respect to other projects other than DIP expansion projects involving Rs. 3,29.62 lakhs which has currently been kept on hold pending finalisation of sehedule of implementation are as follows:

Details of capital-work-in progress completion schedule

As at March 31, 2026 (Rs. in lakhs)

Details of Project	**To be completed in**				
	Less than 1 year	**1–2 years**	**2–3 years**	**More than 3 years**	**Total**
DIP	**3,71.04**	**–**	**–**	**–**	**3,71.04**
DIF	**–**	**–**	**–**	**–**	**-**
Coke Oven	**19,84.48**	**–**	**–**	**–**	**19,84.48**
Gasket	**18,02.13**	**–**	**–**	**–**	**18,02.13**
Total	**41,57.65**	**–**	**–**	**–**	**41,57.65**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

As at March 31, 2025 (Rs. in lakhs)

Details of Project	To be completed in				
	Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
DIP	1,04,67.18	–	–	–	1,04,67.18
DIF	2,58.46	–	–	–	2,58.46
Coke Oven	4,19.22	–	–	–	4,19.22
Others	91.21	–	–	–	91.21
Total	1,12,36.07	–	–	–	1,12,36.07

54. Commitments (Rs. in lakhs

Particulars		As at March 31, 2026		As at March 31, 2025	
(a)	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):		**2127.31**		27,85.11
(b)	Other commitments	**in lakhs**	**Rs. in lakhs**	in lakhs	Rs. in lakhs
	i) Sell Forward contract outstanding				
	In USD	**5,65.23**	**5,36,01.09**	4,87.03	4,16,26.10
	In Euro	**3,84.13**	**4,17,63.12**	3,96.59	3,66,99.34
	In GBP	**82.50**	**1,03,15.25**	73.00	80,72.42
	In SGD	**10.00**	**7,34.66**	17.50	11,14.22
	ii) Buy Forward Contract outstanding				
	In USD	**3,30.70**	**3,13,59.95**	5,89.60	5,03,93.16
	In USD/Euro	**–**	**–**	10.00	9,25.38
	iii) Option contract outstanding				
	In USD	**20.00**	**18,96.60**	20.00	17,09.40
	In Euro	**–**	**–**	43.50	40,25.42
	iv) Interest Rate Swap outstanding				
	In Euro	**0.05**	**5.34**	–	–

55. (i) **Contingent Liabilities (to the extent not provided for) in respect of:** (Rs. in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
a)	Various show cause notices/demands issued/ raised, which in the opinion of the management are not tenable and are pending with various forum / authorities:		
	i) Sales Tax – incentive certificate not renewed, pending forms, input tax credit, export and other disallowances etc.	**62,31.45**	62,36.32
	ii) Entry Tax	**2,21.66**	2,21.66
	iii) Excise, Custom Duty and Service tax matters.	**25,03.88**	25,18.08
	iv) Income Tax – capital subsidy and other disallowances	**7,21.00**	7,21.00
	v) Goods & Service Tax– Transitional credit and other disallowances	**1,07.69**	94.18
b)	Employees State Insurance Corporation has raised demand for contribution in respect of Gross Job Charges for the year 2001–02, 2003–04 and March'08 to January'10. In the opinion of the management demand is adhoc and arbitrary and is not sustainable legally.	**92.51**	92.51
c)	Demand of Tamil Nadu Electricity Board disputed by the Parent.	**8.20**	8.20
d)	During the year 1994, UPSEB had raised demand for electricity charges by revising the power tariff schedule applicable to the Company retrospectively from Feb'86. In the opinion of the management the revised power tariff is not applicable to the Company and accordingly the Company disputed the demand and the matter is pending before Hon'ble High Court at Allahabad.	**2,61.74**	2,61.74
e)	Financial Guarantees given by banks on behalf of:		
	i) The Parent company	**9,22.00**	9,22.00
	ii) The Subsidiary	**26.82**	6,88.73

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

f) Demand of differential railway freight for the year 2008-09 to 2010-11 amounting to Rs. 57,33.29 lakhs (previous year Rs. 57,33.29 lakhs) has been contested by the Parent and the matter is pending before the Hon'ble High Court at Calcutta.

g) The compensation awarded in favour of the Parent as detailed in note 6.1 and 26.1, Rs. 2,52.85 lakhs related to commission and other charges and interest, if any payable in this respect pending decision of the Hon'ble Supreme Court of India. The amount of interest payable if any, in this respect is currently not determinable.

h) Forest Department fee amounting to Rs. 9,28.90 lakhs which has been decided in favour of the Parent by the Hon'ble High Court of Karnataka. However, the Government of Karnataka has filed a Special Leave Petition before the Hon'ble Supreme Court and the matter is pending thereof

Note: The Group's pending litigations comprises of claim against the Group and proceedings pending with Taxation/ Statutory/ Government Authorities. The Group has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosures, where applicable in its Consolidated Financial Statements. The Group does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows, if any, in respect of (a) to (d), and (f) to (h) above is dependent upon the outcome of judgments / decisions.

55. (ii) Contingent assets (not recognised for) in respect of : (Rs. in lakhs)

Particulars	Ref. note no.	As at March 31, 2026	As at March 31, 2025
a) Benefits under Industrial Promotion Scheme **	19.4(a)	Amount unascertainable	Amount unascertainable
b) Claim for damages pertaining to Wagon Investment scheme	6.1	**3,12,85.27**	3,12,85.27
c) Claim against Durgachak Railway Siding	26.1	**2,48,96.87**	2,48,96.87
d) Insurance claim pending acceptance		**87.03**	22.67

** Pre Goods & Service Tax (GST), the Parent was entitled for benefits under Industrial Promotion scheme of state government. Post implementation of GST, the amount of incentive as a matter of prudence has not recognised under the scheme for the period from July 01, 2017 to March 31, 2019.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

56. Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A) Names of related parties and description of relationship

1)	Joint Venture	North Dhadhu Mining Company Private Limited
2)	Key Management Personnel ('KMP') and close member of their family	Mr. Umang Kejriwal - Managing Director
		Mr. Mayank Kejriwal - Joint Managing Director
		Mr. Uddhav Kejriwal - Wholetime Director
		Mr. Sunil Katial - Chief Executive Officer & Wholetime Director
		Mr. Ashutosh Agarwal - CFO & Wholetime Director
		Ms. Priya Manjari Todi - Wholetime Director
		Ms. Radha Kejriwal Agarwal - Wholetime Director
		Mr. Madhav Kejriwal - Wholetime Director
		Ms. Nityangi Kejriwal Jaiswal - Wholetime Director
		Mr. Ajay Kumar (Director upto May 14, 2025)
		Mr. Vyas Mitre Ralli -Director
		Mr. Amrendra Prasad Verma - Director
		Dr. Mohua Banerjee - Director
		Mr. Rajkumar Khanna - Director
		Mr. Bal Kishan Choudhury - Director
		Mr. Virendra Sinha - Director
		Mr. Jinendra Kumar Jain - Director
		Ms. Sangeeta Singh - Director (appointed w.e.f. October 30, 2024)
		Mr. Bikramjit Ghosh (appointed w.e.f. August 30, 2025)
		Ms. Priya Sakhi Kejriwal Mehta - Daughter of Mr. Umang Kejriwal
3)	Enterprise where KMP and/or Close member of the family have significant influence or control	Tulsi Highrise Private Limited
		Sri Gopal Investments Ventures Limited
		Global Exports Limited
		Sree Khemisati Constructions Private Limited
		Electrosteel Thermal Coal Limited
		Badrinath Industries Limited
		Wilcox Merchants Private Limited
		EVE Technologies Private Limited
		Kaveri Charitable Trust
		Bihariji Trust

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

B) Related Party Transactions

Particulars	KMP & Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Remuneration					
Mr. Umang Kejriwal	3,02.66	–	3,02.66	16.78	
Mr. Mayank Kejriwal	3,10.27	–	3,10.27	14.93	
Mr. Uddhav Kejriwal	2,04.79	–	2,04.79	7.72	
Mr. Sunil Katial	3,20.26	–	3,20.26	13.02	
Mr. Ashutosh Agarwal	2,06.74	–	2,06.74	5.67	
Ms. Priya Manjari Todi	1,89.56	–	1,89.56	9.51	
Ms. Radha Kejriwal Agarwal	49.67	–	49.67	2.53	
Mr. Madhav Kejriwal	1,84.54	–	1,84.54	9.23	
Ms. Nityangi Kejriwal Jaiswal	1,84.54	–	1,84.54	8.96	
Dr. Mohua Banerjee	12.80	–	12.80	6.30	
Mr. Rajkumar Khanna	13.20	–	13.20	6.30	
Mr. Vyas Mitre Ralli	12.60	–	12.60	6.30	
Mr. Amrendra Prasad Verma	12.20	–	12.20	6.30	
Mr. Bal Kishan Choudhury	10.60	–	10.60	6.30	
Mr. Virendra Sinha	10.20	–	10.20	6.30	
Mr. Jinendra Kumar Jain	14.20	–	14.20	6.30	
Mr. Ajay Kumar	0.70	–	0.70	–	
Ms. Sangeeta Singh	10.00	–	10.00	6.30	
Mr. Bikramjit Ghosh	8.50	–	8.50	6.30	
Total	**20,58.03**	**–**	**20,58.03**	**1,45.05**	
Previous Year					
Mr. Umang Kejriwal	5,07.98	–	5,07.98		1,24.21
Mr. Mayank Kejriwal	5,06.83	–	5,06.83		1,25.94
Mr. Uddhav Kejriwal	2,11.44	–	2,11.44		13.35
Mr. Sunil Katial	3,07.57	–	3,07.57		14.11
Mr. Ashutosh Agarwal	2,01.48	–	2,01.48		8.96
Ms. Priya Manjari Todi	1,85.67	–	1,85.67		9.10
Ms. Radha Kejriwal Agarwal	47.12	–	47.12		2.54
Mr. Madhav Kejriwal	1,74.97	–	1,74.97		8.87
Ms. Nityangi Kejriwal Jaiswal	1,74.97	–	1,74.97		8.61
Dr. Mohua Banerjee	14.90	–	14.90		9.00
Mr. Rajkumar Khanna	16.30	–	16.30		9.00
Mr. Vyas Mitre Ralli	15.20	–	15.20		9.00
Mr. Amrendra Prasad Verma	15.70	–	15.70		9.00

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	KMP & Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Mr. Bal Kishan Choudhury	13.40	–	13.40		9.00
Mr. Virendra Sinha	13.20	–	13.20		9.00
Mr. Jinendra Kumar Jain	16.30	–	16.30		9.00
Mr. Ajay Kumar	13.10	–	13.10		9.00
Ms. Sangeeta Singh	11.50	–	11.50		10.35
Lease Rent Paid					
Tulsi Highrise Private Limited	–	1,19.55	1,19.55	–	
Wilcox Merchants Private Limited	–	82.50	82.50	–	
Sree Khemisati Constructions Private Limited	–	65.70	65.70	–	
Badrinath Industries Limited	–	5.00	5.00	–	
Global Exports Limited	–	32.93	32.93	–	
Total	**–**	**3,05.68**	**3,05.68**	**–**	
Previous Year					
Tulsi Highrise Private Limited	–	1,11.04	1,11.04		–
Wilcox Merchants Private Limited	–	78.29	78.29		–
Sri Gopal Investments Ventures Limited	–	25.41	25.41		–
Sree Khemisati Constructions Private Limited	–	58.20	58.20		–
Badrinath Industries Limited	–	30.00	30.00		–
Global Exports Limited	–	29.17	29.17		–
Service Charges Paid					
Sree Khemisati Constructions Private Limited	–	4,42.24	4,42.24	3.46	
Global Exports Limited	–	90.00	90.00	–	
EVE Technologies Private Limited	–	4.62	4.62	3.10	
Total	–	**5,36.86**	**5,36.86**	**6.56**	
Previous Year					
Sree Khemisati Constructions Private Limited	–	4,21.93	4,21.93		2.73
Global Exports Limited	–	90.00	90.00		–
Sri Gopal Investments Ventures Limited	–	3.95	3.95		0.16
EVE Technologies Private Limited	–	18.26	18.26		1.94
Security Deposits					
Electrosteel Thermal Coal Limited	–	–	–	1,92.62	
Tulsi Highrise Private Limited	–	–	–	2,85.00	
Wilcox Merchants Private Limited	–	–	–	2,72.50	
Global Exports Limited	–	–	–	15.00	
Badrinath Industries Limited	–	–	–	0.30	
Total	–	**–**	**–**	**7,65.42**	

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	KMP & Close members of Family	KMP and/or Close member of the family have significant influence or control	Total	Outstanding as on March 31, 2026	Outstanding as on March 31, 2025
Previous Year					
Sri Gopal Investments Ventures Limited	–	–	–		12.71
Electrosteel Thermal Coal Limited	–	1.93	1.93		1,92.62
Tulsi Highrise Private Limited	–	–	–		2,85.00
Wilcox Merchants Private Limited	–	–	–		2,72.50
Global Exports Limited	–	–	–		15.00
Badrinath Industries Limited	–	–	–		0.30
Other Expenses					
Previous Year					
Ms. Priya Sakhi Kejriwal Mehta	12.00	–	12.00		–
Charity & Donation					
Kaveri Charitable Trust	–	1,50.00	1,50.00	–	
Bihariji Trust	–	1,50.00	1,50.00	–	
Total		**3,00.00**	**3,00.00**		
Previous Year		**–**	**–**		

1. The above related party information is as identified by the management and relied upon by the auditor.
2. There are no loans or advances in the nature of loans granted to Promoters, Directors, Key Managerial Personal or any other related party (as per Companies Act 2013) either severally or jointly with any other persons, during the current/previous financial year.
3. In respect of the above parties, there is no provision for doubtful debt as on March 31, 2026 and no amount has been written off or written back during the year in respect of debt due from/ to them except as disclosed.

C. Details of compensation paid to KMP are as follows: (Rs. in lakhs)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Short-term employee benefits	**18,90.17**	22,92.27
Post-employment benefits*	**1,47.86**	1,41.16
Other long-term benefits*	**20.00**	20.00

*Post-employment benefits and other long-term benefits is being disclosed based on actual payment made including those on retirement /resignation of services, but does not includes provision made on actuarial basis as the same is available for all employees together.

D. Terms and conditions of transactions with related parties

a. The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. For the year ended March 31, 2026, the Group has not recorded impairment of receivable relating to amount owned by the parties. The measurement is undertaken each financial year considering the financial position of the related party and the market in which the related party operates.

b. The amounts outstanding are unsecured and will be settled in cash and cash equivalent. No guarantees have been given or received.

c. The remuneration of directors is determined by the Nominations & Remuneration Committee having regard to the performance of individuals and market trends.

56.1 Details of Loans, Investments and Guarantees covered u/s 186(4) of the Companies Act, 2013:

a) Details of Investments are given under the respective heads (refer note 8, 9 and 15).

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

b) Details of loans given are shown under note 10.

b) Details of Standby Letter of Credit given by the Parent are as follows: (Rs. in lakhs)

Name of the Company	Purpose	As at March 31, 2026	As at March 31, 2025
Electrosteel Algerie SPA	Fund based facility from bank	**1,89.66**	2,35.04
Electrosteel USA LLC	Short Term Loan Facility	**23,70.75**	21,36.75
Electrosteel USA LLC	Fund based facility from bank	**42,67.35**	38,46.15

57. The Group operates mainly in one business segment viz "Pipes & Fittings" being primary segment and all other activities revolve around the main activity. The secondary segment is geographical, information related to which is given as under:

(Rs. in lakhs)

Particulars	2025–26			2024–25		
	Within India	**Outside India**	**Total**	Within India	Outside India	Total
Sales (gross)	**38,81,74.64**	**20,04,78.09**	**58,86,52.73**	55,86,15.60	17,06,68.13	72,92,83.73
Non-Current Assets other than financial instruments	**41,58,22.76**	**2,43,70.26**	**44,01,93.02**	42,02,63.51	1,55,21.22	43,57,84.73

58. The group has opted for continuing accounting policy in respect of exchange difference arising on reporting of long term foreign currency monetary items in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards". The unamortised balance in the carrying amount of Property, Plant and Equipments / capital work in progress is Rs. 2,70,24.55 lakhs (previous year Rs. 2,73,41.22 lakhs).

59. Business Combination

(a) The Parent pursuant to Share Purchase Agreement ('SPA') entered into with T.I.S. Group S.p.A. has acquired 3000000 equity shares of EURO 1 each of T.I.S. Service S.p.A ("TIS") representing 100% shareholding of TIS at an aggregate consideration of EURO 11500000 equivalent to Rs 1,14,70.16 lakhs. The entire consideration has been remitted on July 29, 2025 and therefore TIS has become a wholly owned subsidiary of the parent. The acquisition will compliment the Group's existing foreign operations in Valve fitting required for its DI Pipes and related items. The financial results of TIS Services S.p.A from the date of acquisition have been included in the Consolidated Financial Statements of the Group..

The fair value of the identifiable assets and liabilities as at the date of the acquisition are as follows:

(Rs. in lakhs)

Particulars	**As per Reviewed Consolidated Financial Statement**	**Adjustment as per Ind AS 103**	**Fair Value as at July 29, 2025**
Assets			
Non Current Assets			
Property, Plant and Equipment	38,46.17	10,17.22	48,63.39
Capital work–in–progress	1,62.80	–	1,62.80
Intangible assets	3,40.15	10,73.70	14,13.85
Current Assets			
Inventories	98,89.71	–	98,89.71
Financial Assets			
Trade receivables	1,15,81.13	–	1,15,81.13
Cash and cash equivalents	14,72.06	–	14,72.06
Other Financial Assets	56.46	–	56.46
Deferred Tax Asset (Net)	2,00.85	–	2,00.85
Other Current Assets	17,26.21	–	17,26.21
Total Assets (A)	**2,92,75.54**	**20,90.92**	**3,13,66.46**

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

(Rs. in lakhs)

Particulars	As per Reviewed Consolidated Financial Statement	Adjustment as per Ind AS 103	Fair Value as at July 29, 2025
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	40,38.40	–	40,38.40
Current Liabilities			
Financial Liabilities			
Borrowings	60,26.82	–	60,26.82
Trade payables	61,20.23	–	61,20.23
Other financial liabilities	6,32.79	–	6,32.79
Other current liabilities	15,38.81		15,38.81
Current Tax Liability(Net)	8,74.30	–	8,74.30
Total Liabilities (B)	**1,92,31.35**	**–**	**1,92,31.35**
Net Assets as at July 29, 2025 C = (A – B)	**1,00,44.19**	**20,90.92**	**1,21,35.11**
Total Purchase Consideration (D)			**1,14,70.16**
Other cost incurred for acquisition (E)			**4,48.94**
Differential amount (C–D–E) recognised as Capital Reserve under Other Equity (refer Note 22.1)			**2,16.01**

Since the date of acquisition, TIS Services S.p.A has contributed Rs. 2,37,16.65 lakhs and Rs. 14,17.38 lakhs to the Group revenue and profit/(loss) before taxation respectively for the year ended March 31, 2026.

The combination being given effect to from July 29, 2025, figures for whole of the year pertaining to TIS as such not being available, impact there of on the combine revenue, profit etc., for the year forming part of the pro forma information has not been disclosed.

The carrying amount of trade receivables equals the fair value of trade receivables. None of the trade receivables was impaired and the full contractual amounts were expected to be realized. In case of Inventory mark up on cost has been considered based on historical data. The carrying value of the Property, Plant and Equipments has been considered to reasonably approximates their fair value other then the property of TIS Polska whereby the property has been valued using income approach considering the commercial use of the property. For intangible assets consisting of Trade mark has been valued based on relief from Royalty method whereby amount of royalty the parent would have to pay in arm's length licensing arrangement to secure access to the right of the trademark.

(b) TIS services S.p.A has acquired controlling stake in T.I.S Nuoval S.r.L (Nuoval) w.e.f November 04, 2025 at an aggregate consideration of EURO 40,00,000 (equivalent INR Rs. 40,95.00 lakhs). Accordingly T.I.S Nuoval S.r.L has become wholly owned subsidiary of TIS forming part of the Group with effect from the said date.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

The fair value of the identifiable assets and liabilities as at the date of the acquisition are as follows:

(Rs. in lakhs)

Particulars	**As per Reviewed Consolidated Financial Statement**	**Adjustment as per Ind AS 103**	**Fair Value as at November 04, 2025**
Assets			
Non Current Assets			
Property, Plant and Equipment	12,66.78	–	12,66.78
Intangible assets	3.05	–	3.05
Current Assets			
Inventories	41,72.47	–	41,72.47
Financial Assets			
Trade receivables	31,51.77	–	31,51.77
Cash and cash equivalents	1,97.26	–	1,97.26
Other Financial Assets	1.60	–	1.60
Other Current Assets	4,01.80	–	4,01.80
Total Assets (A)	**91,94.73**	**–**	**91,94.73**
Liabilities			
Non Current Liabilities			
Deferred Tax Liabilities (Net)	94.35	–	94.35
Current Liabilities			
Financial Liabilities			
Trade payables	11,15.61	–	11,15.61
Other financial liabilities	25,97.44	–	25,97.44
Other current liabilities	7,67.98	–	7,67.98
Provisions	3,05.35	–	3,05.35
Total Liabilities (B)	**48,80.73**	**–**	**48,80.73**
Net Assets as at November 04, 2025 C = (A–B)	**43,14.00**	**–**	**43,14.00**
Total Purchase Consideration (D)			**40,95.00**
Differential amount (C–D) recognised as Capital Reserve under Other Equity (refer Note 22.1)			**2,19.00**

Since the date of acquisition, Nuoval has contributed Rs. 26,34.42 lakhs and Rs. (1,30.77) lakhs to the Group revenue and profit/(loss) before taxation respectively for the year ended March 31, 2026.

The combination being given effect to from November 04, 2025, figures for whole of the year pertaining to Nuoval as such not being available, impact there of on the combine revenue, profit etc., for the year forming part of the pro forma information has not been disclosed.

(c) In terms of the Share Purchase Agreement entered with the shareholders' of Singardo International Pte. Limited ('Singardo') on September 25, 2024 by the Parent, the Parent had acquired the balance 99.11% of the Equity Shares at a consideration of SGD 64,42,450. The parent had remitted the entire consideration equivalent to Rs. 41,48.97 lakhs on October 07, 2024 and Singardo became a wholly owned subsidiary of the Group from October 22, 2024. The acquisition complimented the Group's existing foreign operations in Singapore as well. The financial results of Singardo from the date of acquisition had been included in the Consolidated Financial Statements of the Group.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

The fair value of the identifiable assets and liabilities as at the date of the acquisition are as follows:

(Rs. in lakhs)

Particulars		As per Reviewed Consolidated Financial Statement	Adjustment as per Ind AS 103	Fair Value as at October 21, 2024
Assets				
Non Current Assets				
Property, Plant and Equipment		31,80.69	12,70.69	44,51.38
Right–of–use assets		7,80.06	2,44.35	10,24.41
Current Assets				
Inventories		24,30.72	3,21.98	27,52.70
Financial Assets				
Trade receivables		19,15.27	–	19,15.27
Cash and cash equivalents		4,12.70	–	4,12.70
Other Financial Assets		28.64	–	28.64
Other Current Assets		35.30	–	35.30
Total Assets	**(A)**	**87,83.38**	**18,37.02**	**1,06,20.40**
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings		22,74.64	–	22,74.64
Deferred Tax Liabilities (Net)		6.86	–	6.86
Current Liabilities				
Financial Liabilities				
Borrowings		2,28.57	–	2,28.57
Trade payables		20,92.94	–	20,92.94
Other financial liabilities		26.81	–	26.81
Current Tax Liability(Net)		72.73	–	72.73
Total Liabilities	**(B)**	**47,02.55**	**–**	**47,02.55**
Net Assets as at October 21, 2024 C = (A–B)		**40,80.83**	**18,37.02**	**59,17.85**
Total Purchase Consideration (D)		–	–	**41,85.52**
Consideration paid		–	–	**41,48.97**
Carrying value of earlier Investments		–	–	**36.55**
Differential amount (C–D) recognised as Capital Reserve under Other Equity (refer Note 22.1)				**17,32.33**

The carrying amount of trade receivables equals the fair value of trade receivables. None of the trade receivables was impaired and the full contractual amounts were expected to be realized. In case of Inventory mark up on cost has been considered based on historical data. Property has been valued using the Market approach - Sales comparison method (SCM). This method models the behavior of the market by comparing with similar properties that have been recently sold/ rented or for which offers to purchase/ rentals have been made. Plant and equipment have been valued using the cost approach - Depreciated replacement cost (DRC) method. For estimating DRC, gross current replacement cost is depreciated in order to reflect the value attributable to the remaining portion of the total economic life of the plant and equipment. The method takes into account the age, condition, depreciation, obsolescence (economic and physical) and other relevant factors, including residual value at the end of the plant and equipment's economic life.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

60. Disclosure Of Transactions With Struck Off Companies

Based on the information available with Parent from the website of Ministry of Corporate Affairs and on certification from an independent professional hired for identification of such companies, the details of transactions are as follows:

(Rs. in lakhs)

Name of the struck off company	Nature of transactions with struck off company	As at March 31, 2026	As at March 31, 2025	Relationship with the struck off company, if any, to be disclosed
Godrej & Boyce Mfg. Co. Limited Prima Division	Payables	**–**	0.51	–
Grauer & Weil (I) Limited	Payables	**–**	–	–
Binary Solutions Private Limited	Payables	**–**	–	–
Dhona Instruments Private Limited	Payables	**–**	–	–
ELBI Consultancy India Private Limited	Payables	**–**	**–**	–
Price Waterhouse Coopers Private Limited	Payables	**–**	0.97	–
Safety Perfect Private Limited	Payables	**(0.73)**	(0.73)	–
Brilliant Enterprises	Receivables	**–**	**(4.54)**	

61. Additional Information pursuant to amendments made in Schedule III to the extent applicable to the Parent (Other than those that have been disclosed under the respective Notes to the consolidated financial statements):

(A) Utilisation of borrowed funds and share premium

(i) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the entities in the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(ii) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the entities in the Group shall:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(B) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(C) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(D) Compliance with number of layers of companies

The group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

62. Disclosure of additional information pertaining to the Parent Company and Subsidiaries as per Schedule III of Companies Act, 2013

(Rs. in lakhs)

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
	2025–26		2025–26		2025–26		2025–26	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/ (Loss)	As % of Consolidated Other Compre–hensive Income	Other Comprehensive Income	As % of Consolidated Total Compre–hensive Income	Total Comprehensive Income
Parent	**95.95**	**56,83,41.71**	**81.36**	**1,31,33.97**	**2.32**	**1,45.27**	**59.30**	**1,32,79.24**
Subsidiaries Foreign								
Electrosteel Castings (UK) Limited	**1.40**	**82,81.63**	**14.01**	**22,62.22**	**12.69**	**7,91.76**	**13.64**	**30,53.98**
Electrosteel Europe S.A.	**2.33**	**1,38,04.27**	**(4.14)**	**(6,67.89)**	**34.91**	**21,81.56**	**6.76**	**15,13.67**
Electrosteel Algeria SPA	**0.05**	**2,91.46**	**0.74**	**1,19.36**	**0.38**	**23.58**	**0.64**	**1,42.94**
Electrosteel USA, LLC	**0.92**	**54,28.93**	**6.44**	**10,40.22**	**8.06**	**5,03.89**	**6.90**	**15,44.11**
Electrosteel Trading, S.A.U	**0.02**	**1,22.65**	**(0.33)**	**(53.58)**	**0.39**	**24.27**	**(0.13)**	**(29.31)**
Electrosteel Doha For Trading LLC	**0.43**	**25,68.36**	**0.68**	**1,09.53**	**2.80**	**1,74.82**	**1.27**	**2,84.35**
Electrosteel Castings Gulf FZE	**0.27**	**16,14.22**	**2.43**	**3,91.89**	**2.34**	**1,46.42**	**2.40**	**5,38.31**
Electrosteel Brasil Ltda. Tubos e Conexoes Duteis *	**(0.02)**	**(1,11.68)**	**–**	**0.00**	**(0.27)**	**(16.62)**	**(0.07)**	**(16.62)**
Electrosteel Bahrain Holding W.L.L	**0.95**	**56,00.42**	**0.86**	**1,38.03**	**8.60**	**5,37.48**	**3.02**	**6,75.51**
Singardo Internation Pte. Limited	**1.08**	**64,17.54**	**0.12**	**18.85**	**13.61**	**8,50.33**	**3.88**	**8,69.18**
TIS Services S.p.A	**2.46**	**1,45,75.68**	**8.27**	**13,35.45**	**14.18**	**8,86.12**	**9.92**	**22,21.57**
Non controlling interest in all subsidiaries	**(0.02)**	**(1,04.01)**	**(0.02)**	**(3.94)**	**–**	**–**	**(0.02)**	**(3.94)**
Adjustment arising on consolidation	**(5.82)**	**(3,44,98.94)**	**(10.42)**	**(16,80.52)**	**(0.01)**	**(0.02)**	**(7.51)**	**(16,80.54)**
Total	**1,00.00**	**59,23,32.24**	**1,00.00**	**1,61,43.59**	**1,00.00**	**62,48.86**	**1,00.00**	**2,23,92.45**

*Amount below round off

(Rs. in lakhs)

Name of the Company	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Other Comprehensive Income		Total Comprehensive Income	
	2024–25		2024–25		2024–25		2024–25	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit/ (Loss)	As % of Consolidated Other Compre–hensive Income	Other Comprehensive Income	As % of Consolidated Total Compre–hensive Income	Total Comprehensive Income
Parent	97.50	56,37,17.05	1,00.36	7,12,12.32	4,47.41	(11,21.13)	99.13	7,00,91.19
Subsidiaries Foreign								
Electrosteel Castings (UK) Limited	0.90	52,27.65	(0.17)	(1,20.17)	(1,08.22)	2,71.24	0.21	1,51.07
Electrosteel Europe S.A.	2.13	1,22,90.61	0.12	82.00	(1,26.87)	3,17.90	0.57	3,99.90
Electrosteel Algeria SPA	0.03	1,48.53	0.10	74.14	(1.75)	4.39	0.11	78.53
Electrosteel USA, LLC	0.67	38,84.82	(1.81)	(12,87.20)	(45.66)	1,14.41	(1.66)	(11,72.79)
Electrosteel Trading, S.A.U	0.03	1,51.96	(0.02)	(17.54)	(1.75)	4.38	(0.02)	(13.16)
Electrosteel Doha For Trading LLC	0.40	22,96.59	0.66	4,65.53	(26.45)	66.27	0.75	5,31.80
Electrosteel Castings Gulf FZE	0.19	10,75.92	(0.04)	(27.46)	(10.13)	25.38	–	(2.08)
Electrosteel Brasil Ltda. Tubos e Conexoes Duteis	(0.02)	(95.05)	–	–	1.06	(2.65)	–	(2.65)
Electrosteel Bahrain Holding W.L.L	0.85	49,24.91	1.35	9,56.83	(35.05)	87.82	1.48	10,44.65
Singardo Internation Pte. Limited	0.96	55,48.35	(0.49)	(3,50.92)	7.41	(18.59)	(0.52)	(3,69.51)
Non controlling interest in all subsidiaries	(0.02)	(1,12.66)	(0.02)	(15.49)	–	–	(0.02)	(15.49)
Adjustment arising on consolidation	(3.62)	(2,08,99.32)	(0.04)	(16.25)	–	–	(0.03)	(16.25)
Total	1,00.00	57,81,59.36	1,00.00	7,09,55.79	1,00.00	(250.58)	1,00.00	7,07,05.21

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2026 *(Contd.)*

62.1. The financial statements of North Dhadhu Mining Company Private Limited have not been consolidated for reasons referred to in note 8.1.

62.2. Figures given herein above are as per standalone financial statements of the respective companies included in the Group and hence effect of inter company and other adjustments carried out on consolidation has not been considered for the purpose of above disclosure.

63. These consolidated financial statements have been approved by the Board of Directors of the Company on May 18, 2026 for issue to the shareholders for their adoption.

64. In view of acquisition of subsidiaries (as stated in Note 59), figures of the previous year are not comparable with the figures of current year. Previous year figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

As per our report of even date
For Lodha & Co LLP
Chartered Accountants

R. P. Singh
Partner

Kolkata
May 18, 2026

For and on behalf of the Board of Directors

Umang Kejriwal
Managing Director
(DIN: 00065173)

Sunil Katial
Wholetime Director & Chief Executive Officer
(DIN : 07180348)

Indranil Mitra
Company Secretary
(Membership No. A20387)

Ashutosh Agarwal
Wholetime Director & Chief Financial Officer
(DIN : 00115092)

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Consolidated Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in lakhs)

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	613259.81	Not Ascertainable
2.	Total Expenditure	587534.88	
3.	Net Profit/(Loss) (including other comprehensive income)	22396.39	
4.	Earnings Per Share (Basic)	2.61	
5.	Total Assets	946144.05	
6.	Total Liabilities	946144.05	
7.	Net Worth (Equity Share Capital plus Other Equity)	592436.25	
8.	Any other financial item(s) (as felt appropriate by the management)	–	

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:**

Attention has been drawn by the Auditors' under the heading "Basis of Qualified Opinion" of the Auditors' Report to the following notes of the financial results for the quarter and year ended 31st March 2026 -

Sub Para (a): Note no. 3 regarding cancellation of coal block allotted to the parent in earlier year and adjustments to be given effect to in respect of the claims made by the parent, amount determined, awarded/received so far in this respect and required disclosures/ adjustments in terms of Ind AS with respect to the carrying amounts of the property, plant and equipment, capital work in progress, inventory and balances lying under other heads of account and carried forward pending finalisation of the amount of claim in this respect due to the reasons stated therein.

Sub Para (b): Note no. 4(a) in respect of parent's investment in the equity shares of ESL Steel Limited (ESL), the pledge of which was invoked by the lenders of ESL, and which was set aside by Hon'ble High court at Kolkata and the matter is currently pending before the said court. Further, as stated in Note no. 4(b) dealing with mortgage of Land at Elavur plant in favour of one of the lenders of ESL who had assigned their rights to another party and thereby symbolic possession of the said land was taken by the said party. The matter has been disputed by the parent and the matter is pending before DRAT and Hon'ble Madras High Court as stated in the said note is currently sub-judice and pending final adjudication.

Sub Para (c): Pending finalization of the matters dealt with in (a) and (b) above, required disclosures, adjustments, and impacts thereof are presently not ascertainable and as such cannot be commented upon by us.

b. **Type of Audit Qualification:** Qualified Opinion / ~~Disclaimer of Opinion~~ / ~~Adverse Opinion~~

c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing – Note no. 3 since financial year 2014-15 and Note no. 4 since financial year 2017-18.

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) Management's estimation on the impact of audit qualification: N.A

(ii) If management is unable to estimate the impact, reasons for the same:

Sub Para (a) In pursuance of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court of India ('the Order'), followed by the Ordinance promulgated by the Government of India, Ministry of Law & Justice ('legislative department') dated October 21, 2014 ('Ordinance') for implementing the Order, allotment of Parbatpur coal block ('coal block'/'mine') to the Parent, which was under advanced stage of implementation, had been cancelled w.e.f. April 01, 2015. In terms of the Ordinance (subsequently promulgated into Coal Mines (special provisions) Act 2015 i.e. 'CMSP Act'), the Parent was allowed to continue the operations in the said coal block till March 31, 2015. Accordingly, the said coal block had been handed over to Bharat Coking Coal Limited ('BCCL') as per the direction from Ministry of Coal ('Ministry'), with effect from April 01, 2015 and the same was thereafter allotted to Steel Authority of India Limited ('SAIL') and an initial compensation of Rs. 8432.32 lakhs was awarded, of which Rs. 8312.14 lakhs was received by the Parent. SAIL subsequently surrendered the coal block and handed over the said coal block back to the custody of BCCL.

Following a petition filed by the Parent, challenging the method and amount of compensation being determined, the Hon'ble High Court of Delhi pronounced its judgement on March 09, 2017 laying down the principles of determination of revised compensation. Accordingly, based on the said judgement, the Parent claimed Rs.154944.48 lakhs towards compensation against the said coal block, acceptance whereof is awaited. The then Nominated Authority, for deciding the amount of compensation, had passed an order, after the above judgement, revising the compensation by a small amount. However, upon an appeal being made by the Parent, the said order was set aside by the Hon'ble High Court, with a direction to the Nominated Authority to reconsider the same. The Nominated Authority thereafter passed an order dated November 11, 2019 awarding an additional compensation of Rs. 180.00 lakhs, with a further direction to determine the value of certain assets forming part of the mine infrastructure, liable for compensation in terms of the CMSP Act to the Parent. Subsequently, the Nominated Authority, appointed a valuer to determine the value of those specified assets and thereafter an another valuer was also appointed for cross verification of certain back-up documents, details and indirect costs related thereto, so that to arrive at the correct valuation for compensation against those assets. Moreover, the Parent had also earlier approached the Nominated Authority/Ministry to reconsider the compensation, determined by the previous officer holding charge of office of Nominated Authority, for land and some other major assets and the final compensation thereof is yet to be decided.

In the meantime, JSW Steel Limited ('JSW') had been declared as successful bidder for Parbatpur Coal Block in "16th Tranche of Auction Under Coal Mines (Special Provisions) Act, 2015" and vesting order dated June 08, 2023 was issued by the Ministry in their favour. JSW, as being claimed by them, took over the physical possession of said coal block and requested the Parent to initiate negotiations for utilization of movable property/ assets used in coal mining. Pursuant to this, the Parent has submitted that the matter is sub-judice and pending decision thereof, it is premature to initiate such negotiations at this stage.

On July 15, 2025, the Nominated Authority ('NA') has passed a Provisional Compensation Order of even date ('Provisional Order') declaring additional compensation of Rs. 47610.62 lakhs against shaft and incline and certain other mine infrastructure and Rs. 2260.31 lakhs against land aggregating to Rs. 49870.93 lakhs in favour of the Parent. Comments/ objections sought by the Nominated Authority from the Parent, SAIL and JSW in respect of the Provisional Order have been submitted for their consideration. Subsequently, after considering the comments/objections so received, NA passed a compensation order dated November 19, 2025 ('Compensation Order') and determined that Rs. 25304.42 lakhs is payable as compensation towards 'hard cost' of shafts and inclines and certain other mine infrastructure. JSW has been directed to deposit the amount of Rs. 19675.74 lakhs being the aggregate amount of the compensation as above. The compensation towards soft costs of shaft and incline and land is pending determination as on this date and will therefore be decided by NA in due course of time. It has further been directed that the differential cost for preparation of updated Geological Report may be mutually settled between the Parent and JSW after verification from CMPDIL. At present, JSW has since submitted a bank guarantee of the amount, directed to be deposited as above, to the NA. The CMSP Act also provides for negotiation and decide mutually between the Parent and JSW, the compensation amount towards the cost of movable assets not declared as mine infrastructure.

JSW meanwhile filed two petitions, seeking 'stay' and challenging the Compensation Order before the Tribunal, under the CMSP Act, at Ranchi ("Tribunal"). The Tribunal denied JSW's petition seeking 'stay' of the Compensation Order, vide an order dated January 21, 2026.

Thereafter, on a petition being filed against the said denial, the Hon'ble Jharkhand High Court, vide order dated January 21, 2026 granted conditional stay against the Compensation Order, subject to JSW depositing 50% of the amount i.e. 9837.87 lakhs as directed by NA and the same has been deposited by JSW.

On an application filed before the Tribunal vide order dated March 19, 2026, has allowed the withdrawal of the amount so deposited on submission of unconditional and irrecoverable Bank Guarantee ("BG") of an equivalent amount. Pending decision on the matter, the amount so received on submitting the BG have been recognised and disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Moreover, the Parent's petition before Hon'ble High Court of Delhi, filed in earlier year, for declaration of certain assets as mine infrastructure and determination of the amount of the compensation for the coal block, pertaining to mine infrastructure and land etc., so as to arrive at the total amount of compensation against entire coal block in terms of the CMSP Act read with judgement dated March 09, 2017 pronounced by the Hon'ble High Court at Delhi, is also being actively pursued and the same is pending adjudication as on this date.

Pending finalisation of the matter as above, no adjustment for the amount of the compensation has been given effect to and various balances pertaining to said mines, as appearing in the books of account, have been dealt with as follows:

(i) Rs.128884.11 lakhs incurred pertaining to the coal block till March 31, 2015 after setting off income, stocks etc. there against as per the accounting policy then followed by the Parent has been continued to be shown as freehold land, capital work in progress, other fixed assets and other respective heads of account;

(ii) Interest and other finance cost for the year ended March 31, 2016 against the fund borrowed and other expenses directly attributable in this respect amounting to Rs. 9514.74 lakhs have been considered as other recoverable under current assets; and

(iii) Compensation of Rs. 8312.34 lakhs have so far been received. Further net realisations/claims against sale of assets, advances, etc. in this respect aggregates to Rs. 2090.04 lakhs. Bank guarantee amounting to Rs. 920.00 lakhs has been given against the compensation received.

(iv) Rs. 9837.87 lakhs received against Bank Guarantee have been disclosed as "Receipt against claim for Coal Mines" under Financial Liabilities.

Necessary disclosures and adjustments arising with respect to above, pending determination of the claim will be given effect to on the finalisation and acceptance of the amount thereof.

Sub Para (b) - Investment in ESL include 17334999 equity shares of Rs. 10 each in ESL amounting to Rs. 4059.85 lakhs as on March 31, 2026 which were pledged with the consortium of lenders of ESL (lenders) and the said pledge was not released by the lenders even after the settlement of their debt as per the approved resolution plan as above. The notices issued by the lenders for invocation of pledge of parent's investment was set aside by the Hon'ble High Court at Kolkata in the earlier year and the parent's plea for release of such pledge is pending before the said Hon'ble High Court.

In the earlier years, certain land amounting to Rs. 29493.58 lakhs of the parent, situated at Elavur, Tamil Nadu, were mortgaged to an another lender of ESL viz SREI Infrastructure Finance Limited ('SREI') and SREI had subsequently assigned it's right against the said Land to an Asset Reconstruction Company ('ARC') although the claims of the said lender were fully discharged by ESL as per the Resolution Plan approved by Hon'ble National Company Law Tribunal ('NCLT'), Kolkata. Subsequently, the ARC had issued SARAFESI Notice and taken the symbolic possession of the said land. The Parent had disputed the alleged assignment of the loan by the lender and as directed by the Hon'ble Supreme Court had filed an application before the Debt Recovery Tribunal ('DRT'), Chennai for setting aside the SARAFESI actions and release of the title deeds of the land which vide order dated April 08, 2022 (uploaded on April 27, 2022) had been dismissed by DRT. On filing the appeal before the Debt Recovery Appellate Tribunal ('DRAT') against the order of DRT, DRAT has directed the Parent to deposit 50% of the SARAFESI demand i.e. Rs. 29355.04 lakhs against which revision application under Article 227 of the Indian Constitution and a Writ Application under Article 226 of Indian Constitution has been filed before Hon'ble Madras High Court and the matter is pending before the said court.

Earlier, the ARC had also filed an application before Hon'ble NCLT, Cuttack for initiation of Corporate Insolvency and Resolution Process ('CIRP') against the Parent which had been decided in the favour of the Parent vide NCLT order dated June 24, 2022 ('the Order'). The said order on being challenged by ARC has been upheld by Hon'ble National Company Law Appellate Tribunal ('NCLAT') vide its order dated January 24, 2024. The Judgement of NCLAT was challenged before Hon'ble Supreme Court of India. Hon'ble Supreme Court vide its Judgement dated January 6, 2026 confirmed that the Parent is not a guarantor for financial facilities availed by ESL. Hence, no CIRP Proceedings can be initiated against the Parent. However, Hon'ble Supreme Court has also held that the approval and / or implementation of the Resolution Plan of Vedanta Limited for ESL does not result in extinguishment of the entire debt so as to bar any claim against the Third-Party Security Providers. The Parent is contemplating legal option of filing a Review Application before Hon'ble Supreme Court of India.

Pending finalization of the matter, these assets have been carried forward at their respective book value.

(iii) **Auditors' Comments on (i) or (ii) above:**

As stated herein above, the impact with respect to above and consequential adjustments cannot be ascertained and as such cannot be commented upon by us.

III. <u>Signatories :</u>

CEO / Managing Director	Sunil Katial *(Wholetime Director and Group Chief Executive Officer)*
CFO	Ashutosh Agarwal *(Wholetime Director and Chief Financial Officer)*
Audit Committee Chairman	Jinendra Kumar Jain *(Audit Committee Chairman)*
Statutory Auditor	For Lodha & Co LLP *Chartered Accountants* Firm's Registration No: 301051E / E300284
	R. P. Singh *(Partner)* Membership No: 052438

Place : Kolkata

Date : May 18, 2026

Notes