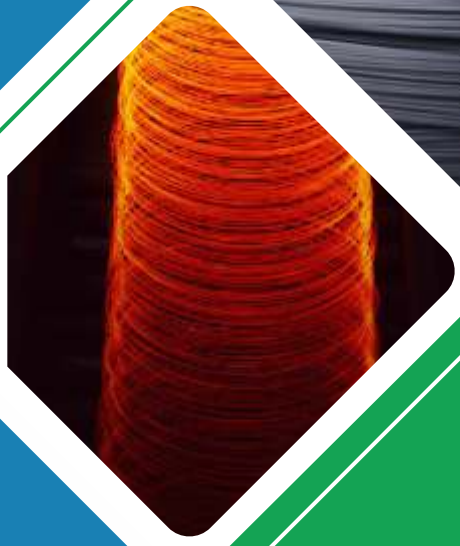
Panchmahal
Steel Limited



# 53rd ANNUAL REPORT 2025-26

| | | |
|---|---|---|
| **BOARD OF DIRECTORS** | : | Mr. Ashok R. Malhotra - Chairman & Managing Director<br>Mr. Samir M. Parikh - Independent Director<br>Mr. Jaswantkumar P. Jain - Independent Director<br>Mr. Swapon L. Adhikary - Independent Director<br>Ms. Suchita Shah - Director<br>Mr. Kalpesh J. Parmar - Director |
| **CHIEF FINANCIAL OFFICER** | : | Mr. Nilesh Shah (upto 05-03-2026)<br>Mr. Kunal Thakrar (w.e.f. 01.06.2026) |
| **COMPANY SECRETARY** | : | Mr. Deepak Nagar |
| **STATUTORY AUDITORS** | : | M/s CNK & Associates, LLP<br>Chartered Accountants Vadodara. |
| **BANKERS** : | | State Bank of India |
| **REGISTERED OFFICE** | : | GIDC Industrial Estate, Kalol - 389 330<br>Dist. Panchmahals, Gujarat.<br>Phone : +91 2676 230777<br>Fax : +91 2676 230889<br>Email : shares@panchmahalsteel.co.in<br>Website : www.panchmahalsteel.co.in<br>CIN : L27104GJ1972PLC002153 |
| **CORPORATE OFFICE** | : | "Landmark", 7th Floor,<br>Race Course Circle, Vadodara - 390 007. |
| **REGISTRAR & TRANSFER AGENT** | : | M/s MCS Share Transfer Agent Limited<br>3B3, 3rd Floor, B-Wing,<br>Gundecha Onclave Premises Co-op. Society Limited,<br>Kherani Road, Saki Naka, Andheri (East), Mumbai-400 072<br>Tel Nos.: 022-28516021/ 6022/ 46049717<br>Email : helpdeskmum@mcsregistrars.com |

**53rd Annual General Meeting to be held on Friday, the 25th September 2026 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**

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## NOTICE

Notice is hereby given that the **53rd Annual General Meeting** of the Members of **Panchmahal Steel Limited** will be held on **Friday, the 25th day of September, 2026 at 11.00 a.m.** through **Video Conferencing ("VC") / Other Audio Video Means ("OAVM")** to transact the following business:-

### ORDINARY BUSINESS:

**1. Adoption of Audited Financial Statements.**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026 together with the Reports of Board of Directors' and the Auditors' thereon.

**2. Appointment of a Director retiring by rotation.**

To appoint a Director in place of Ms. Suchita Shah (DIN: 00427169), who retires by rotation and being eligible, offers her candidature for re-appointment.

### SPECIAL BUSINESS:

**3. To approve the re-appointment of Mr. Ashok Ramlubhaya Malhotra (DIN: 00120198) as Chairman & Managing Director of the Company and payment of managerial remuneration.**

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

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereto and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members be and is hereby accorded to the re-appointment of Mr. Ashok Ramlubhaya Malhotra (DIN: 00120198) aged 74 years, as Chairman & Managing Director of the Company on expiry of his present term of office, for a further period of 3 years i.e., commencing from 1st April, 2027 till 31st March, 2030, liable to retire by rotation, upon terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice and also contained in the draft agreement, with a liberty and power to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Mr. Ashok Ramlubhaya Malhotra.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr. Ashok Ramlubhaya Malhotra including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time, as may be considered appropriate, subject to the overall limits specified by this resolution, the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company and Company Secretary of the Company be and is hereby severally hereby authorised to do all such acts, deeds and things as it may, in its absolute discretion deem necessary, proper or expedient and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any Committee of director(s) to give effect to the above resolution."

**4. To approve the continuation of directorship of Ms. Suchita Shah (DIN: 00427169) as a Non-Executive Non-Independent Director of the Company post attaining the age of 75 years.**

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

"RESOLVED THAT pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, including any amendment(s), statutory modification(s) or re-enactment(s) made thereof for the time being in force and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the continuation of Ms. Suchita Shah (DIN: 00427169), as a Non-Executive Non-Independent Director of the Company liable to retire by rotation, post attaining the age of 75 years.

RESOLVED FURTHER THAT all the Directors and Company Secretary of the Company be and are hereby severally authorized to file all necessary e-forms with the Registrar of Companies and to do all such acts, deeds, matters and things and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution."

**5. To Ratify the remuneration payable to Cost Auditors of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendation of the Audit Committee of the Board of Directors, the remuneration of ₹ 2,00,000/- and reimbursement of travelling and other out of pocket expenses plus taxes as applicable, to be paid to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 00025) for conducting the audit of cost records of the Company for the financial year ending March 31, 2027, as approved by the Board of Directors of the Company, be and is hereby ratified.

RESOLVED FURTHER that the Board of Directors of the Company (including its Committees thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary to give effect to this resolution."

Regd. Office :
GIDC Industrial Estate, Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in

By order of the Board of Directors

Sd/-
**Deepak Nagar**
**AVP (Legal) & Company Secretary**
Membership No. ACS 7960

Vadodara, 3rd August, 2026

**NOTES:**

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013, as amended ('Act'), setting out the material facts concerning the business with respect to Item No(s). 3, 4 & 5 forms part of this Notice. Further, relevant information pursuant to Regulation 36 and other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and disclosure requirements in terms of Secretarial Standard on General Meetings ('SS-2') issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation and seeking re-appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as Annexure to this Notice.

2. The Ministry of Corporate Affairs ('MCA'), inter alia, vide its General Circular No(s). 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2022 dated May 5, 2022 and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred to as 'MCA Circulars'), has permitted the holding of the AGM through Video Conferencing ('VC') or through Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue.

   Further, the Securities and Exchange Board of India ('SEBI'), vide Regulations 36(1), 44(4) and 58(1) of the SEBI Listing Regulations have provided relaxations from compliance with certain provisions of the SEBI Listing Regulations relating to the sending of Annual Report to security holders as well as appointing of proxy.

   In compliance with the applicable provisions of the Act, SEBI Listing Regulations, SEBI Circulars and MCA Circulars, the 53rd AGM of the Company is being held through VC/OAVM on Friday, 25th September, 2026 at 11.00 a.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at GIDC Industrial Estate, Kalol-389 330, Dist. Panchmahals, Gujarat.

3. In compliance with the Circulars issued by MCA and SEBI, the Notice of the 53rd AGM along with the Annual Report is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants (DPs). Physical copy of the Notice of the 53rd AGM along with Annual Report for financial year 2025-26 shall be sent to those shareholders who request for the same. Members may note that the Notice and Annual Report will also be available on the Company's website www.panchmahalsteel.co.in, website of stock exchange i.e. BSE Limited at www.bseindia.com and on the website of Central Depository Services Limited at www.evotingindia.com respectively.

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

5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON ITS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   **SINCE THIS AGM IS BEING HELD PURSUANT TO THE FRAMEWORK PROVIDED IN THE MCA CIRCULARS READ WITH THE COMPANIES ACT, 2013 AND THE SEBI LISTING REGULATIONS, THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

6. Members can join the AGM in VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Please note that, the facility for participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

7. **Institutional/corporate shareholders:**

   Institutional/corporate shareholders (i.e., other than individuals, HUF, NRI, etc.), who are intending to appoint their authorised representatives pursuant to Sections 112 or 113 of the Act, as the case may be, to attend the AGM and vote through remote e-Voting, are requested to send their certified copy of the Board Resolution/Power of Attorney/Authority Letter to the Scrutinizer's by e-mail at csneerajtrivedi@gmail.com with a copy marked to helpdesk.evotig@cdslindia.com.

   Alternatively, the Corporate Members/ Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority Letter" in the CDSL e-voting system.

8. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("Act") and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in this Notice of AGM and Explanatory Statement on the date of AGM in electronic mode can send an e-mail to shares@panchmahalsteel.co.in.

9. **Dispatch of Annual Report:** In accordance with the aforesaid MCA Circulars and the SEBI Listing Regulations, the Notice of the AGM along with the 53rd Annual Report for FY2025-26 are being sent ONLY through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent ('RTA')/Depositories/Depository Participants and a letter will be sent by the Company providing the web-link, including the exact path where complete details of the Annual Report is available, to those shareholder(s) who have not so registered their e-mail addresses. The Company shall send physical copy of the Integrated Report to those Members who request for the same at shares@panchmahalsteel.co.in or email to RTA at helpdeskmum@mcsregistrars.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 53rd AGM along with the Annual Report is also available on the website of the Company at www.panchmahalsteel.co.in and website of the BSE Limited at www.bseindia.com and the website of CDSL at www.evotingindia.com

10. **Book Closure:**

    Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, 18th September, 2026 to Friday, 25th September, 2026** (both days inclusive) for the purpose of 53rd AGM of the Company.

11. **Cut-off Date for remote e-voting:**

    The Company has fixed **Friday, 18th September, 2026** as the Cut-off Date for remote e-voting. The remote e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e. 18th September, 2026 only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

12. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2026, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or Registrar and Share Transfer Agent's Email Id at helpdeskmum@mcsregistrars.com.

13. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.

14. **Nomination facility:** As per the provisions of Section 72 of the Act, read with SEBI Master Circular dated February 6, 2026 issued to RTA the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the requisite application in Form ISR-3 or Form SH-14, as the case may be.

    The said forms can be downloaded from the Company's website at https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures. Members are requested to submit the said form to their DPs in case them shares are held in electronic form and to the RTA at helpdeskmum@mcsregistrars.com in case the shares are held in physical form, quoting their folio no(s).

15. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, any new transfer, transmission or transposition requests for securities shall be processed in demat/electronic form only. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialisation.

16. Members may please note that listed companies are mandated to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4/ISR-5 (for transmission), the format of which is available on the Company's website at https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. Members holding shares in physical form may raise a service request at helpdeskmum@mcsregistrars.com for any assistance relating to the shares of the Company.

17. **Dispute Resolution:** SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievance with the RTA/Company directly and/or through the SEBI SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website at https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures.

18. **Request for updation of PAN, KYC details and Choice of Nomination**

    As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. Contact details, Mobile Number, Bank Account Details, Signature) and Nomination/Opt-out of Nomination, before getting any Investor Service Request (ISR) processed.

    Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC details or Choice of Nomination updated, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 1st April, 2024. Members may refer to the SEBI FAQs (FAQ Nos. 47 & 48) issued in this regard, available on its website at https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf.

    Keeping the above statutory requirements in view, members holding shares in physical form are requested to furnish valid PAN, KYC and Nomination details immediately to the RTA / Company in the required forms, to ensure that, their folios are not frozen. In accordance with SEBI Circulars, the Company has sent reminders to concerned shareholders requesting them to update the details. The required forms can be downloaded from the Company's website at link https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures.

19. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

    The dividend amount and shares transferred to the IEPF can be claimed by the members concerned from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividend amount and shares transferred to IEPF Authority are available on the Company's website at www.panchmahalsteel.co.in and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the Link (www.iepf.gov.in ).

    No claim could be made in respect thereof with the Company. The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares. Those shareholders who have not claimed their dividends for the FY 2021-22 and FY 2024-25 are requested to claim the same. The members concerned are requested to verify the details of their unclaimed amount, if any, from the website of the Company and write to the Company's Registrar before the same becomes due for transfer to the IEPF. The last date for claiming the aforesaid unpaid dividend is 29th October 2029 and 27th October, 2032 respectively.

20. Securities of the listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Further, SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026 mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, subdivision/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC compliant.

    Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD/P/CIR/2025/97, dated July 5, 2025, has mandated to open a special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 1, 2019 and rejected/returned/not attended to, due to deficiency in the documents/process/or otherwise, for a period of six months from July 7, 2025 till January 6, 2026. Further, SEBI vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026, dated January 30, 2026, has prescribed to open another special window for transfer and dematerialisation of physical securities which were sold/purchased prior to April 1, 2019. This special window shall be open for a period of one year from February 5, 2026 to February 4, 2027. In adherence to the above SEBI Circulars, the Company/RTA had made necessary newspaper advertisements to publicise the opening of the special window and had submitted periodical reports to SEBI in a timely manner.

21. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their respective Depository Participants in case the shares are held by them in electronic form and with our RTA, namely, M/s MCS Share Transfer Agent Limited in case the shares are held y them in physical form.

## INFORMATION AND OTHER INSTRUCTIONS RELATING TO REMOTE E-VOTING AND E-VOTING DURING AGM

Pursuant to 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 SEBI Listing Regulations, and

applicable Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

**INFORMATION AND OTHER INTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(i) The voting period begins on **Tuesday, the 22nd September, 2026 (9.00 a.m. IST) and ends on Thursday, the 24th September, 2026 (5.00 p.m. IST).** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

***Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.***

(iv) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | 1) Users of who have opted for CDSL's Easi /Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on Login icon and New System Myeasi Tab.<br><br>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e- voting option, the user will be able to see e-Voting page of the e- Voting service provider for casting your vote during the remote e- Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.<br><br>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website at www.cdslindia.com and click on login and My Easi New (Token) Tab and then click on registration option.<br><br>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all the e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with **NSDL** | 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirect Reg.jsp<br><br>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal |

| Type of shareholders | Login Method |
|---|---|
| | Computer or on a mobile. Once the homepage of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member's section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider name** and you will be re-directed to **e-Voting service provider website** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders (holding securities in demat mode) login through their **Depository Participants** | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e- Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e- Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e- Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. **1800 21 09 911.** |
| Individual Shareholders holding securities in Demat mode with **NSDL** | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at no.: **022-4886 7000** and **022-2499 7000** |

**Step 2 :** ***Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.***

(v) Login method for e-Voting and joining virtual meeting for **Physical Shareholders and shareholders other than individual holding in Demat Form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

| Login type | For Physical shareholders and other than individual shareholders holding shares in Demat Form. |
|---|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details **OR** Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN i.e. **260804004** of the Company "PANCHMAHAL STEEL LIMITED" on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non-Individual Shareholders and Custodians** - for Remote Voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csneerajtrivedi@gmail.com and shares@panchmahalsteel.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

3. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
5. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 17th September, 2026, mentioning their name, demat account number / folio number, email id, mobile number at e-mail Id - shares@panchmahalsteel.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before the above mentioned date, mentioning their name, demat account number/folio number, email id, mobile number at e-mail Id shares@panchmahalsteel.co.in. Their queries will be replied to by the Company suitably.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**

1. For Physical Shareholders:- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to our RTA namely, MCS Share Transfer Agent Limited on their e-mail Id : helpdeskmum@mcsregistrars.com.
2. For Demat Shareholders:- Please update your e-mail id and mobile no. with your respective Depository Participant (DP).
3. For Individual Demat Shareholders:- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. **1800 21 09911**.

**All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.**

**Other Instructions:**

i. E-voting is optional. The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on **Friday, 18th September, 2026.**

ii. Mr. Niraj Trivedi, Practicing Company Secretary (Membership No. FCS-3844 and CP No. 3123) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

iii. The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company: www.panchmahalsteel.co.in and on the website of CDSL immediately after declaration of results by the Chairman or a person authorized by him in writing. The result will simultaneously be communicated to the Stock Exchanges.

The Resolutions shall deemed to be passed on the date of the Annual General Meeting of the Company, subject to the same being passed with requisite majority.

By order of the Board of Directors

Sd/-

**Deepak Nagar**

**AVP (Legal) & Company Secretary**

Membership No. ACS 7960

Regd. Office :
GIDC Industrial Estate, Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in

Vadodara, 3rd August, 2026

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3,4 &5of the accompanying Notice:

**Item No. 3 :**

Mr. Ashok Ramlubhaya Malhotra was appointed as Chairman & Managing Director at the 50th AGM of the members of the Company held on 25th September, 2023 for a period of three years with effect from 1st April, 2024. Mr. Ashok Ramlubhaya Malhotra is a promoter director on the Board of the Company and his tenure of appointment will be expiring on 31st March 2027.

Based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors at their respective meetings held on 3rd August, 2026, it is proposed to re-appoint him for a further term of 3 years commencing from 1st April, 2027, subject to the approval of shareholders at the 53rd Annual General Meeting of the Company.

Further, in terms of the authority already granted by the Members at the 50th Annual General Meeting held on 25th September 2023, the Board, on the recommendation of the Nomination & Remuneration Committee have approved a revision in the remuneration of the Chairman & Managing Director with effect from 1st October, 2026. The revised remuneration shall continue unchanged during his re-appointment term commencing from 1st April, 2027.

He has attained the age of Seventy-one (74) Years and hence continuation of his employment as Chairman & Managing Director requires the approval of members by way of a special resolution. Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Further, Part-1 of Schedule V to the Act also contains similar relaxation.

Under his leadership, management and guidance, the Company has witnessed exceptional growth. He has played a pivotal role in steering the Company towards sustained growth and innovation.

Keeping in view of his transformational role in establishing PSL among India's leading producers of speciality stainless-steel long products. His long association with the Company, rich and varied experience of five decades in the industry, his expertise and involvement in the operations of the Company over a long period of time and fitness, the Board of Directors felt that it is in the interest of the Company to continue to avail hos services.

The details of Mr. Ashok Ramlubhaya Malhotra as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure A to this Notice.

Members may note that the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The main terms and conditions regarding the re-appointment and payment of remuneration and perquisites proposed to be paid to Mr. Ashok Ramlubhaya Malhotra from the date of his re-appointment are set out in the draft Agreement.

The said draft Agreement, inter alia, contains the following terms and conditions:

1. Period of Appointment: From 1st April, 2027 to 31st March, 2030, liable to retire by rotation.

2. Remuneration:

a. Salary : ₹ 12,00,000/- (Rupees Twelve Lakhs only) p.m.

b. Perquisites :

(i) In addition to the salary payable, the Chairman & Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together with reimbursement of expenses or allowances for utilities such as gas, electricity, water and furnishings and repairs, all of which may be hired or owned; medical reimbursement; club fees and leave travel concession for himself and family; medical insurance, personal accident insurance and such other perquisites and allowances in accordance with rules of the Company or as may be agreed to by the Board of Directors and the Managing Director. Such perquisites and allowances will be subject to maximum of ₹7,00,000/- per month.

(ii) For the purpose of calculating the above ceiling, perquisite and allowances shall be evaluated as per Income Tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.

(iii) Provision for use of the Company's car for official duties and telephone and other communication facilities at residence shall not be included in computation of perquisites for the purpose of calculating the said ceiling.

(iv) Subject to statutory ceiling/s, the Managing Director may be given any other allowance/ perquisites, benefits and facilities as the Board of Directors from time to time may decide.

As per Part IV of Schedule V of the Companies Act, 2013, the following perquisites shall not be included in the computation of the ceiling on remuneration as specified in Section II of the said Schedule:

a) Contribution to Provident Fund will be made to the extent, this either singly or put together are not taxable under the Income-Tax Act, 2025.

b) Encashment of leave at the end of the tenure.

c) Minimum Remuneration: Notwithstanding anything contained herein, where in any financial year, during the currency of tenure of the Managing Director, the Company has no profit or its profits are inadequate, the Company may pay him the aforesaid remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the limits specified in item A of Section II of Part II of Schedule V to Companies Act, 2013, as applicable. The perquisites mentioned in para b (vi) of this statement shall not be included in the computation of the ceiling on minimum remuneration.

However, remuneration in excess of the limits prescribed in Schedule V to the Companies Act, 2013 as mentioned above may be paid, if the resolution passed by the shareholders is a special resolution. Therefore, approval of the Shareholders by special resolution is sought for payment of remuneration to Managing Directors w.e.f. 1st April, 2027 for a period of 3 years. The Information pursuant to clause (iv) of the second proviso to Section II, Part II of Schedule V to the Companies Act, 2013 is furnished hereunder.

3. The period of office of Mr. Ashok Ramlubhaya Malhotra shall be liable to determination by retirement of directors by rotation. If Mr. Ashok Ramlubhaya Malhotra is re-appointed as a director, immediately on retirement by rotation, he shall continue to hold office of Chairman & Managing Director and such re-appointment as director shall not be deemed to constitute break in his appointment as Chairman & Managing Director.

4. As long as Mr. Ashok Ramlubhaya Malhotra functions as Chairman & Managing Director, no sitting fee to be paid to him for attending the meetings of the Board of Directors or Committee(s) thereof.

5. The said appointment may be terminated by either party by giving the other three calendar months' notice in writing.

6. The Chairman & Managing Director shall look after overall operations of the Company subject to the superintendence, control and direction of the Board of Directors of the Company.

Other terms and conditions of the Agreement are such as are customarily contained in an agreement of similar nature. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, including but not limited to the remuneration payable to Mr. Ashok Ramlubhaya Malhotra, Chairman & Managing Director in accordance with the provisions of the Companies Act, 2013, rules thereunder or any amendments made therein.

This Explanatory Statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The draft of Agreement to be entered into between the Company and Mr. Ashok Ramlubhaya Malhotra is available for inspection during business hours on any working day up to and including the day of this meeting.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and relevant provisions of Schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of profits, the Board recommends the Special Resolution set out at item no. 3 of the accompanying Notice for the approval of the Members.

**Additional Information pursuant to clause (iv) of the second proviso to Section II, Part II of Schedule V to the Companies Act, 2013 for Item No. 3 of the Notice**

**I. General Information:**

(i) Nature of Industry:

The Company manufactures a comprehensive range of Stainless Steel grades, in hot rolled wire rod & bars and cold finished bars & wires.

(ii) Date /expected date of commencement of commercial production:

The Company's plant for manufacture of Stainless Steel is already in commercial production. The commercial production was started in November, 1973.

(iii) Financial Performance based on given indicators:

The financial performance of the Company as reflected by total income, profit, earning per share and dividend recommended for the financial year ended 31st March, 2026 is as under:-

(₹ in crores)

| Particulars | 2025-2026 |
|---|---|
| Turnover & Other Income | 387.22 |
| Profit for the year | (2.26) |
| Total Comprehensive Income | (3.88) |
| Earnings Per share | (1.19) |
| Rate of Dividend | Nil |

(iv) Export Performance & Foreign Exchange Earning/ Outgo:

(₹ in crores)

| Particulars | 2025-26 | 2024-25 |
|---|---|---|
| FOB value of Exports | 55.10 | 75.91 |
| CIF value of Import | 179.74 | 158.05 |
| Other Expenditure in Foreign Currency | 0.12 | 0.57 |

(iv) Foreign Investment or Collaborators, if any:

**Not Applicable**

**II Information about the Appointee:**

| Nature of Information | Particulars | |
|---|---|---|
| Background Details | Mr. Ashok Ramlubhaya Malhotra, aged 74 years, is a Commerce Graduate and has been involved with Company's management since 1976 and is well- versed with all aspects of the industry. He has rich and varied experience of more than 50 years in the steel industry and has been instrumental in establishing the Company name as a qualitative and reliable manufacturer in the global market. | |
| Past Remuneration | Year | ₹ in Lakhs |
| | 2023-24 | 172.02 |
| | 2024-25 | 171.49 |
| | 2025-26 | 170.58 |
| Recognition or Awards | He is a past President of Indian Stainless Steel Association of India. | |
| Job Profile & Suitability | He is serving as Managing Director of the Company since 18th February, 1976. He is responsible for overall affairs of the Company including strategic planning, direction, operations, finance & corporate affairs.<br>He has sound knowledge of the steel industry, marketing, business process and contemporary management techniques. | |
| Remuneration proposed | The proposed remuneration is specified in Section-II of Part II of Schedule V of the Companies Act, 2013 and has been elaborated in the explanatory statement. | |
| Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person | The remuneration proposed takes into consideration the nature and size of business operations, the qualifications, experience and contribution of the appointee to continued operations of the Company in difficult times, present trends and norms observed in the steel industry for payment of managerial remuneration by companies of comparable size and nature of business. | |
| Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any | Mr. Ashok Ramlubhaya Malhotra does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director and as a shareholder to the extent of his shareholding in the Company.<br>He is not related to any of the Director of the Company. | |

**III Other Information**

| | |
|---|---|
| Reasons of Loss or Inadequate Profit | The Company had inadequate profits and / or has incurred losses in last few years mainly on account of challenging business and macroeconomic environment marked by subdued demand growth, volatile raw-material prices, evolving trade dynamics and geopolitical uncertainties. Nonetheless, the Company continues to maintain adequate liquidity.<br>The computation prescribed under section 198 of the Companies Act, 2013 (the Act) reflects inadequacy of profits to pay remuneration to Managerial Personnel within the overall limits laid down under section 197 of the Act. |
| Steps taken or proposed to be taken for improvement | The Company has taken series of strategic and operational measures including focus on value added products and expanding the customer base which will provide the necessary resilience to successfully overcome challenges through different parts of the business cycle. The Company is confident of sustainable growth and profitability in the coming years. |
| Expected increase in productivity and profits in measurable terms. | Barring unforeseen circumstances and taking into consideration the prevalent geopolitical uncertainties, the revenue and profitability of the Company are expected to be improved in FY 2026-27. The margins too are expected to show improvement with anticipated reduction in operating costs and finance costs. |

**IV. Disclosures**

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report Section under the heading "Remuneration of Directors" for the year ended 31st March, 2026.

**V. Memorandum of Interest**

Mr. Ashok Ramlubhaya Malhotra is interested in the resolution set out at Item No. 3 of the Notice with regard to his re- appointment. Relatives of Mr. Ashok Ramlubhaya Malhotra may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

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

**Item No. 4:**

In terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), no listed Company shall appoint or continue the appointment of a Non-Executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

Ms. Suchita Shah will attain the age of 75 years on December 22, 2027 and in order to continue her directorship, a Special Resolution must be passed pursuant to Regulation 17(1A) of the SEBI Listing Regulations. Ms. Suchita Shah is not disqualified for continuing as a Director in terms of Section 164 of the Companies Act, 2013 and she has given her consent to continue as Non-Executive Non-Independent Director post attaining the age of 75 years.

The Nomination & Remuneration Committee (NRC) at its meeting held on 3rd August, 2026 has provided its recommendation to the Board and based on the recommendation of the NRC, the Board of Directors also approved and recommended to the members, her continuation as Non-Executive Non- Independent Director post attaining the age of 75 years. Hence approval by way of Special Resolution is placed before the shareholders in order to comply with the aforesaid regulation.

The Board is of the opinion that Ms. Suchita Shah's rich and diverse experience is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. She is also a person of integrity who possesses required expertise and her association as Non-Executive Non-Independent Director, would be of immense benefit to the Company. Accordingly, the Board recommends passing of the resolution at Item No. 4 of the Notice as a Special Resolution for continuation of her directorship in the Company post December 22, 2027 in order to comply with the provisions of Regulations 17(1A) of the SEBI Listing Regulations.

Save and except Ms. Suchita Shah, none of the Directors or Key Managerial Personnel of the Company including their relatives are, in anyway concerned or interested, financially or otherwise in the resolution.

The relatives of Ms. Suchita Shah may be deemed to be interested in the resolution set out at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

**Item No. 5:**

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

Based on the recommendation of the Audit Committee, the Board has at its meeting held on May 25, 2026, approved the appointment and remuneration of M/s Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 00025) as the Cost Auditors of the Company for FY 2026-27 at a remuneration of Rs.2.00 lakh plus applicable taxes and reimbursement of out-of-pocket expenses, incurred by the Cost Auditors in connection with cost audit.

The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act and rules framed thereunder with regard to cost audit, experience of the firm, capability, independent assessment, audit experience and based on the evaluation of the quality of audit work done by them in the past.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board, must be ratified by the Members of the Company.

The consent of the Members is sought to pass an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year ending March 31, 2027.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

Regd. Office :
GIDC Industrial Estate, Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in

Vadodara, 3rd August, 2026

By order of the Board of Directors

Sd/-
**Deepak Nagar**
**AVP (Legal) & Company Secretary**
Membership No. ACS 7960

## ANNEXURE - A

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and paragraph 1.2.5 of Secretarial Standard-2 on General Meetings]

| Name of the Director | Ms. Suchita Shah | Mr. Ashok Ramlubhaya Malhotra |
|---|---|---|
| Designation | Non-Executive Non-Independent Director | Chairman & Managing Director |
| DIN | 00427169 | 00120198 |
| Date of Birth | 22.12.1952 | 27.08.1952 |
| Date of first appointment on the Board | 31.03.2015 | 01.12.1976 |
| Educational Qualification | BA | B.Com. |
| Experience & Expertise | Ms. Suchita Shah has more than 35 years of experience in the field of administration, corporate and social affairs.<br>She has been associated with the Company since 1994 and had served in the Company holding senior management positions. | Mr. Ashok Ramlubhaya Malhotra is a Promoter-Director of the Company.<br><br>He has more than 50 years of experience in the steel industry and expertise in business process, marketing and contemporary management techniques. |
| Terms and conditions of re-appointment | Re-appointment in terms of Section 152(6) of the Companies Act, 2013. | Re-appointment as a Chairman & Managing Director for a further period of 3 years w.e.f. 1st April, 2027 upon the terms and conditions as appearing in the explanatory statement to the Item No. 3 of accompanying. |
| Details of remuneration sought to be paid/ last drawn | N.A. | Details are mentioned in the Corporate Governance Report. |
| Number of Meetings of the Board attended during the year. | 4 of 5 | 5 of 5 |
| List of Directorship/Membership / Chairmanship of Committees of other Companies. | Directorship<br>- Honeyvick Enterprises (P) Ltd. | Directorship<br>- Honeyvick Enterprises (P) Ltd. |
| Shareholding in the Company as at 31.03.2026 | 1,900 Equity Shares of ₹ 10/- each | 28,95,804 Equity Shares of ₹ 10/- each |
| Relationship with other directors, manager and other Key Managerial Personnel of the Company. | None | None |
| Listed entity from which he / she has resigned in past 3 years. | Nil | Nil |

Regd. Office :
GIDC Industrial Estate, Kalol - 389 330,
Dist. Panchmahals (Gujarat)
CIN : L27104GJ1972PLC002153,
E-mail: shares@panchmahalsteel.co.in
Vadodara, 3rd August, 2026

By order of the Board of Directors
Sd/-
**Deepak Nagar**
**AVP (Legal) & Company Secretary**
Membership No. ACS 7960

# DIRECTORS' REPORT

To,
The Members

Your Company's Directors are pleased to present the 53rd Annual Report of the Company together with the Statement of Audited Accounts for the financial year ended 31st March, 2026.

## FINANCIAL RESULTS

(₹ in Lakhs)

| Particulars | Year ended 31.03.2026 | Year ended 31.03.2025 |
|---|---|---|
| Revenue from Operations | **38424.12** | 38310.11 |
| Operating Expenses | **37309.46** | 36759.30 |
| Operating Profit before Interest, Tax, Depreciation & Amortization | **1114.66** | 1550.81 |
| Depreciation & Amortization Expense | **797.99** | 805.50 |
| Finance Costs | **541.29** | 560.89 |
| Other Income | **298.25** | 271.29 |
| Profit before Tax | **73.62** | 455.71 |
| Tax Expense (including Deferred Tax) | **299.96** | 123.18 |
| Profit for the year | **(226.34)** | 332.53 |
| Other Comprehensive Income | **(161.58)** | 8.34 |
| Total Comprehensive Income for the year | **(387.92)** | 340.87 |
| Earnings per Share (in Rupees) | **(1.19)** | 1.74 |

## REVIEW OF OPERATIONS

The Company recorded total income of ₹387.22 crores as compared to ₹385.81 crores in the previous year. The Company achieved a Profit after Tax for the year of ₹(2.26) crores as against ₹3.33 crores in the previous year. The loss is primarily attributable to Tax credit reversal of ₹ 2.79 crore.

## DIVIDEND

The Board of Directors do not recommend any dividend for the financial year ended March 31, 2026.

Pursuant to Regulation 43(A) of the SEBI Listing Regulations (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company does not fall under top 1000 Listed Companies by market capitalization as on 31st March, 2026 and hence the requirement for adopting the Dividend Distribution Policy is not applicable to the Company.

## TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for the financial year 2025-26 in the Statement of Profit and Loss.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

## SHARE CAPITAL

The paid-up Equity Share Capital of your Company as on March 31, 2026 stood at ₹ 19.08 crores comprising of 1,90,78,329 equity shares of ₹ 10/- each. The Company has not issued shares with differential voting rights/Bonus Shares nor has granted stock options/sweat equity and has not bought back any of its securities during the year under review.

## FIXED DEPOSITS

The Company does not have 'Deposits' as contemplated under Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has not invited or accepted any such deposit during the financial year ended 31st March, 2026.

## CREDIT RATING

The Rating Agency, India Ratings and Research (Ind-Ra) vide its letter dtd. 03.08.2026 has affirmed the ratings of various credit facilities of the Company as stated below:

| Instrument Type | Size of Issue (million) | Rating assigned along with Outlook/watch | Rating Action |
|---|---|---|---|
| Bank Loan Facilities | INR 970.00 | IND BBB-/Stable/IND A3 | Affirmed |

## DIRECTORS' RESPONSIBILITY STATEMENT

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

a) in preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

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 as at March 31, 2026 and of the profit of the Company for the year ended on that date;

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 that 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.

## CORPORATE GOVERNANCE REPORT

The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A report on Corporate Governance together with the certificate of the statutory auditors confirming compliance with the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as a part of this report as **Annexure-D.**

## MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34(2)(e) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis is enclosed as a part of this report as **Annexure-E.**

## CORPORATE SOCIAL RESPONSIBILITY

The provisions of corporate social responsibility as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 as amended from time to time are not applicable to your Company. Accordingly, there was no CSR obligation for the Company for the financial year 2025-26. The Annual Reporting on CSR under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is currently not applicable to the Company.

Pursuant to the provisions of sub-section (9) of Section 135, the functions of CSR committee, if any, are duly discharged by the Board of Directors of the Company. The Board has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. The CSR Policy may be accessed on the Company's website at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/policies/Corporate-Social-Responsibility-Policy.pdf.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not directly or indirectly:

a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials if any,

b) given any guarantee or provide security in connection with a loan to any other body corporate or person; and

c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate exceeding sixty percent, of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

## RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Related Party Transactions. The Policy can be accessed on the Company's website at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Related-Party-Transaction-Policy.pdf.

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business. There were no materially significant related party transactions with the Company's promoters, directors, management or their relatives, which could have had a potential conflict with the interests of the Company at large or which is required to be reported The Company did not have any contracts or arrangements with related parties in terms of Section 188(1) of the Companies Act, 2013.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2025-26 and hence does not form part of this report.

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

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment /Re-appointment of Directors

Mr. Kalpesh J. Parmar (DIN : 00230588) was re-appointed as a retiring director by the members at their 52nd AGM held on 22nd September, 2025.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Rules made thereunder and Regulation 17(1A) of the Listing Regulations, Ms. Suchita Shah (DIN : 00427169), Non-Executive Non-Independent Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re- appointment. The members are requested to consider and approve the re-appointment and continuation of her directorship post attaining the age of 75 years.

The Board of Directors at their meeting held on 3rd August, 2026 on recommendation of Nomination and Remuneration Committee, have appointed Mr. Ashok Malhotra (DIN: 00120198) as Chairman & Managing Director of the Company for a period of 3 years with effect from April 1, 2027, subject to approval of the Shareholders. Your directors recommend to the Shareholders the appointment of Mr. Ashok Malhotra as Chairman & Managing Director of the Company at the ensuing Annual General Meeting.

### Key Management Personnel

As on the date of this report, the following are the Key Managerial Personnel ('KMPs') of the Company as per Sections 2(51) and 203 of the Companies Act, 2013:

- Mr. Ashok Ramlubhaya Malhotra – Chairman & Managing Director
- Mr. Deepak Nagar – AVP (Legal) & Company Secretary
- Mr. Kunal Thakrar – Chief Financial Officer

During the year under review, Mr. Nilesh Shah, resigned from the post of CFO with effect from the close of business hours on 5th March, 2026. The Board acknowledges the significant contributions provided by him during his tenure as Chief Financial Officer of the Company.

Pursuant to the provisions of Section 2(19) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of Companies Act, 2013 and pursuant to the applicable provisions of the Listing Regulations, the Board of Directors of the Company on the recommendation of Nomination & remuneration Committee and Audit Committee of the Board, has appointed Mr. Kunal M. Thakrar as Chief Financial Officer and Key Management personnel of the Company with effect from 01.06.2026.

### Declaration by Independent Directors

The Company has received the necessary declarations/confirmations from each Independent Director under Section 149(6) and 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that they meet the criteria of independence laid down thereunder. The independent directors have also confirmed compliance with the provisions of rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended, relating to inclusion of their name in the data bank of Independent Directors.

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

### Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of Board Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee. The details of Board evaluation process have been provided under the Corporate Governance Report.

### Familiarization Programme for Independent Directors

All Independent Directors are familiarized with the Company, their roles, rights and responsibilities, nature of the industry and operations of your Company. The Independent Directors were regularly updated on the industry and market trends, plant processes and the operational performance of the Company through presentations.

In compliance with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization program for Independent Directors. The details of familiarization programs are explained in the Corporate Governance Report.

### Nomination & Remuneration Policy

The Company's policy for appointment of Directors, Key Management Personnel and Senior Management employees and their remuneration and other matters provided in Section 178(3) of the Act is available on the website of the Company at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Remuneration-Policy-for-Directors-KMP-and-other-Employees.pdf. The details of Nomination & Remuneration Policy form part of the Corporate Governance Report of this Annual Report.

### Number of Meetings of the Board and its committees

During the year under review, 5 (five) meetings of the Board of Directors of the Company were convened and held. The detailed information on the meeting of the Board and its various Committee Meetings is included in the Corporate Governance Report forming part of this report. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### Committees of the Board

The Board of Directors has the following Committees:

- Audit Committee
- Remuneration and Nomination Committee
- Stakeholders' Relationship Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report.

## AUDITORS AND AUDITORS' REPORT

### Statutory Auditors

The members of the Company at the AGM held on September 28, 2019, approved the appointment of, M/s CNK & Associates LLP (Firm Registration No. 101961W), Chartered Accountants Vadodara, as the statutory auditors of the Company. Further, the shareholders approved the re-appointment of M/s CNK & Associates, LLP for a second term of five years commencing from the conclusion of the 51st AGM held on September 27, 2024 until the conclusion of 56th AGM of the Company to be held in the year 2029.

The report of the Statutory Auditor forms part of this Annual Report and Annual Accounts 2025-26. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

### Internal Auditors

Your Company has re-appointed M/s Keyur Patel & Co., Chartered Accountants, Vadodara as Internal Auditors of the Company to carry out the internal audit of various operational areas of the Company for the financial year 2026-27. The Internal Auditors independently evaluate the internal controls, adherence to and compliance with the procedures, guidelines and statutory requirements. The Audit Committee of Directors periodically reviews the reports of the Internal Auditors and the corrective actions if any, are taken by the Management.

### Cost Auditors

In terms of Section 148 of the Companies Act, 2013, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Companies Act, 2013.

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of M/s Kiran J. Mehta & Co. as cost auditors of the Company for the year ending March 31, 2027. M/s Kiran J. Mehta & Co., Cost Accountants (FRN: 000025), Ahmedabad have vast experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification. The Cost Audit Report for the financial year ended 31st March, 2025 was filed with the Ministry of Corporate Affairs on 26th August, 2025.

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations, CS Niraj Trivedi (FCS – 3844; COP -3123), Practicing Company Secretary was appointed as the Secretarial Auditors of the Company to hold office for a period of 5 (five) consecutive years from financial year 2025-26 to financial year 2029-30 with the approval of the Members at the 52nd AGM held on September 22, 2025.

The Secretarial Audit Report as issued by the Secretarial Auditor in Form No. MR-3 for the financial year 2025-26 is annexed herewith as **Annexure-A** and forms integral part of this Annual Report. There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors, in their Audit Report for the financial year 2025-26 except for those detailed in the attached Auditors' report included in the Annual Report.

### Secretarial Standards

The Company has complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Meeting of Shareholders (EGM/AGM) i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by ICSI The Institute of the Company Secretaries of India and such systems are adequate and operating effectively.

### Reporting of Fraud

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

### ANNUAL RETURN

As required under Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company's website at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/annual-returns/MGT%20-7%20%28Annual%20Return%20-%2031.03.2026%29.pdf.

## AUDIT COMMITTEE

During the year, the Board has accepted all recommendations of Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of the recommendation of the Audit Committee by the Board. The composition of Audit Committee and other details are given in the Corporate Governance Report.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company.

## RISK MANAGEMENT POLICY

The Company has a Risk Management Policy to ensure appropriate risk management within its systems and culture. The Board of Directors and the Audit Committee of the Company periodically review the Risk Management Policy of the Company.

The provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Risk Management Committee, are not applicable to the Company.

## INSURANCE

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets for various types of risks.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of the audit activity is broadly guided by the annual audit plan approved by the top management and audit committee. The Internal Auditors routinely test these systems and significant audit observations, if any, and follow up actions thereon are reported to the Audit Committee.

The Company has in place adequate internal financial controls with reference to financial statements.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure-B**" to this Report.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendments Rules, 2016, as amended from time to time, in respect of Directors / employees of the Company is set out in "**Annexure-C**" to this report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of Listing Regulations, a Business Responsibility and Sustainability Report (BRSR) is mandatory for the top 1,000 listed entities based on market capitalization. Your Company is not being covered under top 1000 companies, BRSR is not applicable to the Company.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations. However, Members' attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

## SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANY

Honeyvick Enterprises Private Limited continues to be a holding company, holding 55.36% Equity Share Capital of the Company. The Company neither has any subsidiary/ associate/ joint venture company nor has any other company become subsidiary/ associate/ joint venture company of the Company during the year.

## UNPAID OR UNCLAIMED DIVIDEND

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

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. Other relevant details are included in the Corporate Governance Report furnished in **Annexure-D**, which forms part of this report.

## DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has in place an Anti-Sexual Harassment Policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the year under review, the Company has not received any complaint on sexual harassment. Hence, no complaint was disposed off and/or remains pending for more than 90 days as of March 31, 2026.

## OTHER DISCLOSURES

- There was no change in the nature of business of the Company as stipulated under sub-rule 5(ii) of Rule 8 of Companies (Accounts) Rules, 2014.
- There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- There was no instance of one-time settlement with any Bank or Financial Institution.
- Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Business Responsibility and Sustainability Report is not appliable to the Company.
- As required under the Companies (Accounts) Second Amendment Rules, 2025, the Board confirms that during the year under review, the Company has complied with all provisions of the Maternity Benefit Act, 1961.

## APPRECIATION

Your Directors thank the Banks, Central and State Government Authorities, Shareholders, Customers, Suppliers and other business associates for their co-operation and support to the Company. The Directors express their sincere appreciation for the dedication and commitment of all their employees.

For and on behalf of the Board of Directors

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

**Annexure - A to Directors' Report**

**Form No. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026**

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
PANCHMAHAL STEEL LIMITED (CIN: L27104GJ1972PLC002153)
GIDC Industrial Estate,
Kalol-389 330, Dist. Panchmahals, Gujarat.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panchmahal Steel Limited** ("the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the **Financial Year ended on 31st March, 2026** ("review period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the review period according to the provisions of :

a) The Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force);

b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);

c) The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force);

d) (d) Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);

e) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('the SEBI Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force):

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

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

   (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable to the Company during the Audit Period;**

(iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable to the Company during the Audit Period;**

(v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the Audit Period;**

(vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company during the Audit Period; and**

(viii) The Securities and Exchange Board of India (Buy - Back of Securities) Regulations, 2018 - **Not applicable to the Company during the Audit Period.**

f) Other applicable Laws - Based on the information provided and the representation made by the Company and its officers and also on the review of the compliance reports taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exists in the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings;

ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") .

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

*Due to non-compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015, for a part period of quarter ended on 31st March, 2025, BSE Limited vide its email dated 29th May, 2025 had levied a fine of ₹ 1,32,160/- (inclusive of GST) to the Company. The Company's application for waiver of SOP fine was rejected by the Internal Regulatory Oversight and Review Group of BSE Limited and they have vide email dated 20th July, 2026 directed the Company to pay the aforesaid fine amount within 10 days from the date of intimation. The Company has paid the fine to BSE Limited on 21st July, 2026.*

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors (including Woman Independent Director). 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.

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

As per the minutes of the Meetings duly recorded and signed by the Chairperson, the decisions of the Board were carried through on the basis of majority and there were no dissenting views.

**I further report** that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

**I further report** that during the audit period there were no events/actions occurred which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

Signature : Sd/-
Name of PCS : NIRAJ TRIVEDI
C.P. No. : 3123
FCS No. : 3844
PR : 7078/2025
UDIN : F003844H001002578

Place : Vadodara
Date : 3rd August, 2026

This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and forms an integral part of this report.

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## ANNEXURE - A

To,

The Members of

**PANCHMAHAL STEEL LIMITED** (CIN: L27104GJ1972PLC002153)

GIDC Industrial Estate,

Kalol - 389 330, Dist. Panchmahals, Gujarat.

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signature : Sd/-
Name of PCS : NIRAJ TRIVEDI
C.P. No. : 3123
FCS No. : 3844
PR : 7078/2025
UDIN : F003844H001002578

Place : Vadodara
Date : 3rd August, 2026

## "Annexure - B" to Directors' Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under the Companies (Accounts) Rules, 2014.

**A. Conservation of Energy and Technology Absorption**

The Management is perusing energy conservation with considerable focus and commitment. Optimal utilization of various energy resources like power, fuel and oil is ensured by ongoing measures/steps that improve power factor and other consumption.

The Company has processes to measure, monitor and improve environmental performance through various initiatives focusing on energy, water and waste. Further the absorption and adaption of technology is an ongoing process in the Company.

The Company has not imported any technology during the year under review.

**B. Foreign Exchange Earnings and Outgo**

(₹ in Lakhs)

| | **Particulars** | **2025-26** | 2024-25 |
|---|---|---|---|
| i. | Foreign Exchange Earnings | **5509.92** | 7590.84 |
| ii. | CIF Value of Imports | **17973.68** | 15805.08 |
| iii. | Expenditure in Foreign Currency | **12.00** | 57.27 |

For and on behalf of the Board of Directors

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

## "Annexure - C" to Directors' Report

**Statement of Disclosure of Remuneration under Section 197 (12) of Companies Act, 2013, Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendments Rules, 2016 .**

| Sr. No. | Prescribed Requirement | Particulars |
|---|---|---|
| 1. | The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year. * | Mr. Ashok Malhotra, CMD - 58.61:1 |
| 2. | The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any of the Financial Year. * | Mr. Ashok Malhotra, CMD - (1.11%)<br>Mr. Nilesh Shah, CFO - 38.90%**<br>Mr. Deepak Nagar, CS - 19.55% |
| 3. | The % increase in the median remuneration of employees in the financial year. | In the F.Y. 2025-26, there was an increase of 23.63% in the median remuneration of employees. |
| 4. | The number of permanent employees on the roll of the Company. | 498 Employees as on March 31, 2026 |
| 5. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | There are no exceptional circumstances for increase in the managerial remuneration. |
| 6. | The key parameters for any variable component of remuneration availed by the directors. | Not Applicable |
| 7. | Affirmation that the remuneration is as per the remuneration policy of the Company. | We affirm that the remuneration paid to the Directors and Key Management Personnel and other employees in accordance with Remuneration Policy of the Company. |

* Since Non-executive directors received no remuneration, except sitting fees for attending Board/Committee meetings, the required details are not applicable.

** The remuneration of CFO includes full and final settlement on cessation of his employment on 05.03.2026. Accordingly, the increase is not comparable with the previous year's remuneration.

For and on behalf of the Board of Directors

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

**Information required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Details of top 10 or such employees in terms of remuneration drawn during the year, where employed throughout the financial year, in receipt of remuneration for the year which, in the aggregate, was not less that ₹ 1,02,00,000/- and where employed for any part of the year, at a rate which, in the aggregate, was not less than ₹ 8,50,000/- per month:

| Sr. No. | Employee Name | Designation | Educational Qualifications | Age | Experience in years | Gross Remuneration in F.Y. 2025-26 (₹ in Lakhs) | Previous Employment & Designation |
|---|---|---|---|---|---|---|---|
| **A** | **Employed throughout the year** | | | | | | |
| 1 | Mr. Ashok R. Malhotra | Chairman & Managing Director | B.Com | 74 years | More than 50 years. Joined Company as Director on 01.12.1976. | 170.58 | NA |
| **B** | **Employed for part of the year** | | | | | | |
| | -- | -- | -- | -- | -- | -- | -- |

Except for the above, none of the employees, employed throughout the year were in receipt of remuneration of more than ₹ 1.02 crore per annum and employed for part of the year, were in receipt of remuneration of not more than ₹ 8.50 Lakhs per month.

Mr. Ashok R. Malhotra was appointed as Managing Director of the Company for a period of 3 years w.e.f. 01.04.2024.

Mr. Ashok R. Malhotra is not related to any director of the Company. Mr. Ashok Malhotra along with his relatives holds more than 2% of equity share capital of the Company.

Apart from the above, none of the employees are neither relatives of any directors of the Company, nor hold 2% or more of equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

**Annexure-D to Directors' Report**

## CORPORATE GOVERNANCE REPORT

The Board of Directors present the Company's Report on Corporate Governance for the financial year ended 31st March, 2026 as hereunder, in terms of Regulation 34(3) read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended.

### 1. Corporate Governance Philosophy

Your Company's philosophy on Corporate Governance encompasses the active observance of fair and ethical business practices ensuring transparency, accountability, integrity and the statutory compliance of various laws with the primary objective of enhancing the value of all its stakeholders. The Company is committed to good corporate governance by creating an environment based on professionalism, entrepreneurship and pursuit for excellence.

During the year under review, the Board continued its pursuit of achieving these objectives through the adoption of corporate strategies, prudent business plan and ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities.

### 2. Board of Directors

The Board of Directors ('Board') is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders.

**Composition of the Board**

The Board has an optimum combination of executive director, non-executive directors and independent directors. The Composition of Board is in conformity with Regulation 17(1)(b) & 17(1)(c) of SEBI Listing Regulations read with Section 149 and Section 152 of the Companies Act, 2013, which stipulates that at least half of the Board should comprise of Independent Directors if the Chairman of the Board is an Executive Chairman and that the Board of Directors of the top 2000 listed entities shall comprise of not less than six directors. The Board at present consists of six (6) Directors, including Executive Chairman and one women director. Out of these directors, three (3) are Independent Directors. The brief profile of our Directors is available on our website at https://www.panchmahalsteel.co.in/investor-relations.php#disclosure-under-reg-46-2-of-the-LODR.

The Directors are eminent industrialists/professionals with optimal mix of knowledge and experience and bring with them the reputation of independent judgement and experience, which they exercise and also satisfy the criteria of independence. The composition of the Board as at 31st March, 2026 stood as under:

| Name of Director | Category | Number of position held in other Companies | | |
|---|---|---|---|---|
| | | Directorships* | Committee Chairmanship@ | Committee@ Memberships |
| Mr. Ashok R. Malhotra | Promoter & Executive Director (CMD) | 1 | Nil | Nil |
| Mr. Samir M. Parikh | Independent Director | 4 | Nil | Nil |
| Ms. Suchita Shah | Non-Independent Non-Executive Director | 1 | Nil | Nil |
| Mr. Jaswantkumar P. Jain | Independent Director | 1 | Nil | Nil |
| Mr.Swapon L. Adhikary | Independent Director | 3 | Nil | Nil |
| Mr. Kalpesh J. Parmar | Non-Independent Non-Executive Director | 1 | Nil | Nil |

* Includes directorships in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 and excludes that of your Company.

@ only Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee of Listed and Unlisted Public Limited companies has been considered, excluding our Company.

During the year under review and as on date of this report, none of our Directors serve as Director or as Independent Directors in more than seven listed companies and none of the Executive Director(s) serve as Independent Directors on any listed company. Further, none of our Independent Directors serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an Independent Directors.

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

As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are available on our website at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf.

During FY2025-26, none of our Directors acted as Member in more than 10 committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. Further, there are no inter se relationships between our Board Members. None of the directors holds office as director, including alternate director, in more than twenty companies at the same time.

There were no changes in the Board of Directors of the Company during the year under review.

Directorship in other listed companies as on March 31, 2026

None of the Director of the Company is holding directorship in any other listed company.

Board Meetings and Attendance of Directors

The Board meeting is conducted at least once in every quarter to consider amongst other businesses, the performance of the Company and Quarterly Financial Results. The Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereof are circulated well in advance to the Board of Directors of the Company. The information supplied by management to the Board of the Company is in accordance with SEBI Listing Regulations and Companies Act, 2013. In line with Companies Act, 2013 and Listing Regulations, Directors are provided the option to participate via video conferencing or other audio-visual modes, ensuring convenience and compliance.

During the year under review, 5 (Five) Board Meetings were held on 23rd May, 2025, 11th August, 2025, 9th October, 2025, 18th October, 2025 & 29th January, 2026. The 52nd Annual General Meeting was held on 22nd September, 2025 through Video Conferencing (VC). The maximum gap between two Board

Meetings was always less than one hundred and twenty days as prescribed under Regulation 17(2) of SEBI Listing Regulations. Attendance of Directors at these Board Meetings and at the last Annual General Meeting was as under:

| Sr. No | Name of the Director | No. of Board Meeting held during tenure | No. of Board Meetings attended | Attendance at the AGM held on 22.09.2025 |
|---|---|---|---|---|
| 1. | Mr. Ashok R. Malhotra | 5 | 5 | Yes |
| 2. | Ms. Suchita Shah | 5 | 4 | No |
| 3. | Mr. Samir M. Parikh | 5 | 2 | Yes |
| 4. | Mr. Kalpesh J. Parmar | 5 | 5 | Yes |
| 5. | Mr. Jaswantkumar P. Jain | 5 | 5 | Yes |
| 6. | Mr. Swapon L. Adhikary | 5 | 4 | Yes |

Independent Directors' Meeting

Pursuant to Schedule IV of the Act, the Independent Directors met on January 29, 2026 without the presence of Non-Independent Directors and Members of the Management. The meeting of Independent Directors was chaired by Mr. Jaswantkumar P. Jain, Independent Director and Chairperson of the Audit Committee.

The Independent Directors, inter-alia, evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board taking into account the views of Executive and Non-Executive Directors. They also discussed the aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Except Mr. Swapon L. Adhikary, all other Independent Directors were present at the Meeting.

Disclosure of Relationships between Directors inter-se

None of the Directors of the Company are related to each other.

Details of Equity Shares held by Non-Executive/Independent Directors as on 31st March, 2026

| Name of the Non-Executive Directors | No. of Shares held |
|---|---|
| Ms. Suchita Shah | 1900 |
| Mr. Samir M. Parikh | Nil |
| Mr. Kalpesh J. Parmar | Nil |
| Mr. Jaswantkumar P. Jain | Nil |
| Mr. Swapon L. Adhikary | Nil |

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('NRC') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

Familiarization Program for Independent Directors

The Company has formulated a Program for Familiarization of Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the company operates and its business model etc. They are also informed of the important policies of the Company, including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report Trading in securities by Insiders, etc.

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. The Standard appointment letter containing the terms and conditions of appointment of independent directors is placed on the Company's website https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Terms-and-Conditions-of-appointment-of-Independent-Directors.pdf. The Directors are usually encouraged to visit the plant and interact with members of Senior Management as part of the induction programme. Each newly appointed Independent Director is taken through a formal induction & familiarization program. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management. The Directors were provided necessary updates and information about the business and compliances during the quarterly Board meeting/s. The Company's Policy of conducting the Familiarization Program has been disclosed on the website of the Company at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Details%20of%20Familiarization%20Programmes.pdf.

Skills/Expertise/Competencies of the Board of Directors

The List of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business are as follows:-

- Knowledge on Company's business, policies and culture (including the Mission, Vision and Values) major risks/ threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.
- Financial and Management skills, knowledge of law, Insurance, Project management, human resource management, CSR etc.
- Technical / Professional skills and specialized knowledge in relation to Company's business.

In the opinion of the Board, these skills are available with the board and the following chart/ matrix depicts the aforesaid skills/expertise/competence possessed by the board.

| Name Of Director | Areas of Skills/ Expertise/Competence | | | | | | |
|---|---|---|---|---|---|---|---|
| | Industry knowledge/ experience | Leadership & Strategy | Operations/ Technology | Finance/ Management | Governance | Government/ Regulatory Affairs | Behavioral Competencies |
| Mr. Ashok R. Malhotra | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ms. Suchita Shah | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Mr. Samir M. Parikh | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Mr. Kalpesh J. Parmar | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Mr. Jaswantkumar P. Jain | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| Mr. Swapon L. Adhikary | ✓ | ✓ | - | ✓ | ✓ | ✓ | ✓ |

Confirmation regarding Independent Directors:

Based on annual declarations of independence received from Independent Directors, the Board confirm that in their opinion, all the independent directors of the Company fulfills the conditions specified in SEBI Listing Regulations and are independent of the management. In terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have enrolled themselves on the Independent Directors Databank.

None of the Independent Directors of the Company resigned before the expiry of their respective tenure during FY: 2025-26.

Orderly succession to the Board and Senior Management

The Board of the Company satisfied itself that plans are in place for orderly succession for appointments to the Board and Senior Management.

Review of Legal Compliance Reports

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Maximum tenure of independent directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and Regulation 25 (2) of SEBI Listing Regulations.

## 3. COMMITTEES OF THE BOARD

The Board has constituted various Committees with specific terms of reference in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The Company currently has the following Committees of the Board viz.

i. Audit Committee

ii. Nomination & Remuneration Committee

iii. Stakeholders Relationship Committee

The Board is responsible for the constitution, co-opting and determining the terms of reference of these Committees from time to time. The Meetings of these Committees are convened by the respective Committee Chairman/ Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

## (A) Audit Committee

The Company has an Audit Committee at the Board level with the powers and the role that are in accordance with the requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.

Composition:

The Audit Committee of the Company comprises of Four (4) members, 3 of them are Independent Directors. All the members of the Audit Committee are qualified and have insight to interpret and understand financial statements. The Composition of the Committee as at 31st March, 2026 was as under:

| Sr. No. | Name of Member | Status | Category |
|---|---|---|---|
| 1. | Mr. Jaswantkumar P. Jain | Chairman | Non-Executive Independent Director |
| 2. | Mr. Samir M. Parikh | Member | Non-Executive Independent Director |
| 3. | Mr. Swapon L. Adhikary | Member | Non-Executive Independent Director |
| 4. | Mr. Kalpesh J. Parmar | Member | Non-Executive Non-Independent Director |

The role and terms of reference of the Audit Committee covers the matters specified under Regulation 18 read with Part C of Schedule II of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. Apart from considering un-audited and/or audited financial results for the relevant quarters and for the year prior to adoption/ approval by the Board, the Committee oversees the work carried out in the financial reporting process by the Management, the internal auditor, the statutory auditor and the cost auditor and notes the processes and safeguards employed by each of them. The Committee further reviews the processes, systems and controls including compliance with laws, Related Party Transactions, PSL Code of Conduct and Insider Trading Code, Whistle Blower Policies and related cases thereto. The Committee also reviews matters under the Prevention of Sexual Harassment at Workplace Policy.

Besides having access to all the required information from the Company, the committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters.

All the recommendations of the Audit Committee have been accepted by the Board of Directors during the year. The minutes of the Meeting of the Audit Committee are discussed and taken note of by the Board of Directors.

Meeting & Attendance during the year

During the year, 4 (four) Audit Committee Meetings were held on 23rd May, 2025, 11th August, 2025, 18th October, 2025 & 29th January, 2026. The Attendance of Members at meetings was as under:

| Sr. No. | Name of Member | No. of Meetings | |
|---|---|---|---|
| | | Held during tenure | Attended |
| 1. | Mr. Jaswantkumar P. Jain, Chairman | 4 | 4 |
| 2. | Mr. Samir M. Parikh, Member | 4 | 2 |
| 3. | Mr. Kalpesh J. Parmar, Member | 4 | 4 |
| 4. | Mr. Swapon L. Adhikary, Member | 4 | 3 |

The Company Secretary functions as the Secretary of the Committee.

As per Regulation 18(1) (d) of the Listing Regulations, the Chairman of the Audit Committee had attended the AGM of the Company held on September 22, 2025 through Video Conferencing.

### (B) Nomination & Remuneration Committee

The role, powers and broad terms of reference of the Nomination & Remuneration Committee covers the area as contemplated under Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations and Section 178 (1) of the Companies Act, 2013.

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management and the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors. The NRC and the Board periodically reviews the succession planning process of the Company and is satisfied that the Company has adequate process for orderly succession of Board Members and Members of the Senior Management. The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management. The NRC has formulated Remuneration Policy for Directors, KMPs and all other employees of the Company. The NRC has the overall responsibility of approving and evaluating the compensation plans, policies and programmes for Executive Directors and the Senior Management. The NRC reviews and recommends to the Board for its approval, the base salary, incentives/commission, other benefits, compensation or arrangements and executive employment agreements for the Executive Directors.

Composition:

The Composition of the Nomination & Remuneration Committee as at 31st March, 2026 was as under:

| Sr. No. | Name of Member | Status | Category |
|---|---|---|---|
| 1. | Mr. Samir M. Parikh | Chairman | Non-Executive Independent Director |
| 2. | Mr. Swapon L. Adhikary | Member | Non-Executive Independent Director |
| 3. | Mr. Kalpesh J. Parmar | Member | Non-Executive Non-Independent Director |

Meetings and Attendance during the year

During the year under review, 2 (Two) meetings of the Nomination & Remuneration Committee were held on 23rd May, 2025 & on 29th January, 2026. The attendance of Members at meeting was as under:

| Sr. No. | Name of Member | Status | No. of Meetings | |
|---|---|---|---|---|
| | | | Held during tenure | Attended |
| 1. | Mr. Samir M. Parikh | Chairman | 2 | 1 |
| 2. | Mr. Kalpesh J. Parmar | Member | 2 | 2 |
| 3. | Mr. Swapon L. Adhikary | Member | 2 | 1 |

The Company Secretary functions as the Secretary of the Committee.

The minutes of the Meeting of the Nomination and Remuneration Committee are discussed and taken note of by the Board of Directors.

The previous Annual General Meeting of the Company held on September 22, 2025 through Video Conferencing was duly attended by the Chairman of the Nomination & Remuneration Committee.

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI Listing Regulations.

The evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations and in accordance with the parameters suggested by the Nomination and Remuneration Committee, the Board of Directors carried out an annual evaluation for the Financial Year 2025-26, of its own performance, its Committees and Individual Directors. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The assessment was carried out internally and the Directors were satisfied with the evaluation, which reflected the overall engagement of the Board and its Committees with the Company.

Remuneration of Directors

Non-Executive Directors do not have any other pecuniary relationship with the Company except payment of Sitting Fee, other than the promoter director.

Remuneration Policy for Directors, Key Managerial Personnel & other Employees

The Company has formulated Remuneration Policy for implementation by the Committee, which is available on the website under link https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Remuneration-Policy-for-Directors-KMP-and-other-Employees.pdf.

The brief summary of a remuneration policy for Directors, Key Management Personnel and other employees of the Company, inter-alia, is as follows:

Non-Executive Directors:

Non-Executive Directors are paid a sitting fee of Rs.10,000/- for every meeting of the Board or Committee thereof attended by them as member. As per the recommendation of the Nomination and Remuneration Committee, the Board of Directors has approved the increase in the sitting fee payable to directors for attending meetings of the board and committees thereof, from ₹10,000 to ₹25,000 for each such meeting, effective from 3rd August, 2026.

The Company has no stock options plans and no payment by way of bonus, pension, incentives etc. shall be made to Non-Executive Directors.

Managing Directors, Key Managerial Personnel & Other Employees:

The objective of the Remuneration Policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration to whole-time Directors and Key Management Personnel shall take into account the Company's overall performance, their contribution for the same and trends in the industry in general, in a manner which will ensure and support a high-performance culture. The remuneration structure to other employees will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmark so as to reward and retain talent.

The details of remuneration of Mr. Ashok Malhotra, Chairman & Managing Director for FY:2025-26 is as under:

(₹ in Lakhs)

| | |
|---|---|
| Salary & Allowances | 147.00 |
| Perquisites | 10.62 |
| Contribution to PF & other Funds | 12.96 |
| Commission | --- |
| Total | 170.58 |

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company.

The Chairman & Managing Director has been appointed for a period of 3 years with effect from 01.04.2024, which can be terminated by giving 3 months' notice in writing. There is no provision for severance fee in the employment contract of the Managing Director of the Company. The Company does not pay any remuneration to the Non-executive Directors of the Company including, Independent Directors.

The Company has no stock options plans and hence such instruments do not form part of the remuneration package.

Details of sitting fees paid to the Non-executive Directors during the year and the shares of the Company held by them as on March 31, 2026 is as under: -

(₹ in Lakhs)

| Sr. No. | Particulars | Sitting Fee | No. of shares held |
|---|---|---|---|
| 1. | Ms. Suchita Shah | 0.50 | 1900 |
| 2. | Mr. Samir M. Parikh | 0.60 | - |
| 3. | Mr. Kalpesh J. Parmar | 1.10 | - |
| 4. | Mr. Jaswantkumar P. Jain | 1.00 | - |
| 5. | Mr. Swapon L. Adhikary | 0.80 | - |

## (C) Stakeholders Relationship Committee

In compliance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, the Board has constituted the Stakeholders Relationship Committee.

Terms of Reference

The role, powers and broad terms of reference of the Stakeholders Relationship Committee covers the area as contemplated under Regulation 20 read with Part D of Schedule II of SEBI Listing Regulations and Section 178 (5) of the Companies Act, 2013.

The Stakeholders' Relationship Committee ('SRC') considers and resolves the grievances of our shareholders, and other security holders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests, issue of new/duplicate certificates, general meetings and such other grievances as may be raised by the security holders from time to time.

The SRC also reviews:

a) The measures taken for effective exercise of voting rights by shareholders;

b) The service standards adopted by the Company in respect of services rendered by our Registrar & Transfer Agent;

c) The measures rendered and initiatives taken for reducing quantum of unclaimed dividends and ensuring timely receipt of dividend/annual report/notices and other information by shareholders.

d) Matters pursuant to the IEPF Rules.

Composition

The composition of the Stakeholders Relationship Committee as on 31st March, 2025 was as under:

| Sr. No. | Name of Member | Status | Category |
|---|---|---|---|
| 1. | Mr. Swapon L. Adhikary | Chairman | Non-Executive Independent Director |
| 2. | Ms. Suchita Shah | Member | Non-Executive Non-Independent Director |
| 3. | Mr. Ashok R. Malhotra | Member | Executive Director |

Meetings and Attendance during the year

During the year, 1 Stakeholders Relationship Committee Meeting was held on 29th January, 2026 The Attendance of Members at meetings was as under:

| Sr. No. | Name of Member | No. of Meetings | |
|---|---|---|---|
| | | Held during tenure | Attended |
| 1. | Mr. Swapon L. Adhikary, Chairman | 1 | 0 |
| 2. | Ms. Suchita Shah, Member | 1 | 1 |
| 3. | Mr. Ashok Malhotra, Member | 1 | 1 |

Mr. Swapon L. Adhikary, Chairman of the SRC was present at the Annual General Meeting of the Company held on Monday, September 22, 2025.

In terms of Regulation 6 and Schedule V of the SEBI Listing Regulations, the Board has appointed Mr. Deepak Nagar, AVP (Legal) & Company Secretary as the Compliance Officer of the Company.

The minutes of the Meeting of the Stakeholders Relationship Committee are discussed and taken note of by the Board of Directors. At each Meeting of the Stakeholders Relationship Committee, all matters pertaining to investors including their grievances and redressal are reported. The Registrars and Transfer Agent under the supervision of the Secretarial Department of the Company look after the investors' grievances, routine complaints relating to non- receipt of annual report, payment of dividends, transfer of shares, dematerialisation of shares, issue of duplicate share certificate, request for change of address, revalidation of divided warrants etc. were attended within a prescribed time.

Details of Shareholders Complaints received and attended during the year 2025-26 were as under:-

| Nature of Complaints | As on 1st April, 2025 | Received during the year | Redressed during the year | As on 31st March, 2026 |
|---|---|---|---|---|
| From Investors/Shareholders | - | - | - | - |
| From Stock Exchange/SEBI/DPs | - | - | - | - |

## 4. Risk Management Committee

The provisions of Regulation 21 of the SEBI Listing Regulations regarding Risk Management Committee are not applicable to the Company.

## 5. Corporate Social Responsibility Committee

The provisions of corporate social responsibility as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company. There was no CSR obligation for the Company for the financial year 2025-26.

Pursuant to the provisions of sub-section (9) of Section 135, the functions of CSR committee, if any, are duly discharged by the Board of Directors of the Company. The Board has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company. The CSR Policy may be accessed on the Company's website at https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/policies/Corporate-Social-Responsibility-Policy.pdf.

## 6. Particulars of Senior Management Personnel (excluding KMPs) and changes therein during the financial year

- Mr. Rajkumar Kalani, Vice-President (SMS)
- Mr. Girish Patel, Asst. Vice-President (Quality Control)
- Mr. Akshay Sehgal, Asst. Vice-President (HR and Admn.)
- Mr. Rashesh Shah, Asst. Vice-President (Rolling Mills)

Further, Pursuant to Regulation 30 read with Para A(7) of Part A of Schedule III of the SEBI Listing Regulations and based on the recommendation of the Nomination and Remuneration Committee, the Board of

Directors of the Company has approved the appointment of the following employees as Senior Management personnel ("SMP") of the Company w.e.f. 25th May, 2026 :

- Mr. Amish Parikh, General Manager (Sales)
- Mr. Gopal Shah, General Manager (Maintenance-Electrical)
- Mr. Kamlesh Patel, General Manager (Maintenance-RMD)
- Mr. Kaushik Patel, General Manager (Maintenance-SMS)
- Mr. Prahlad Singh Sodha, General Manager (IT-Systems)

## 7. General Body Meetings

(i) The details of General Body Meetings for the last three years are as under:

| Date | Time | Type of Meeting | Venue |
|---|---|---|---|
| 25.09.2023 | 11.00 a.m. | AGM | Meeting conducted through VC/OAVM pursuant to MCA Circular. Deemed venue of the meeting was Registered Office of the Company i.e. GIDC Industrial Estate, Kalol-389330 Dist. Panchmahals, Gujarat. |
| 27.09.2024 | 11.00 a.m. | AGM | Meeting conducted through VC/OAVM pursuant to MCA Circular. Deemed venue of the meeting was Registered Office of the Company i.e. GIDC Industrial Estate, Kalol-389330 Dist. Panchmahals, Gujarat. |
| 22.09.2025 | 11.00 a.m. | AGM | Meeting conducted through VC/OAVM pursuant to MCA Circular. Deemed venue of the meeting was Registered Office of the Company i.e. GIDC Industrial Estate, Kalol-389330 Dist. Panchmahals, Gujarat. |

No Extraordinary General Meeting (EGM) of the Shareholders of the Company was held during the financial year 2025-26.

(ii) The details of the Special Resolutions passed in the Annual General Meetings held in the previous three (3) years are given below:

| No. of AGM | Date & Time | Particulars |
|---|---|---|
| 50th | 25.09.2023 at 11.00 a.m. | Re-appointment of Mr. Ashok R. Malhotra as Chairman & Managing Director of the Company. |
| 51st | 27.09.2024 at 11.00 a.m. | a) Appointment of Mr. Swapon Lalitmohan Adhikary (DIN : 07135873) as an Independent Director.<br>b) Appointment of Mr. Jaswantkumar Jain (DIN : 10719368) as an Independent Director. |
| 52nd | 22.09.2025 at 11.00 a.m. | No special resolutions were passed at the 52nd AGM. |

(iii) Details of Postal Ballot conducted during the year:

During the year under review, no resolutions were passed through Postal Ballot process.

(iv) Person who conducted the Postal Ballot exercise

Not Applicable

(v) Details of proposed business item through postal ballot:

None of the businesses proposed to be transacted at the ensuing 53rd Annual General Meeting require passing a resolution through Postal Ballot. Any Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

(vi) Procedure for Postal Ballot

The Postal Ballot shall be carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder and MCA Circulars.

## 8. Means of Communication

a) The Company's Financial Results are generally published in leading financial newspapers as well as copies of the same are also being sent to all the Stock Exchanges where the Shares of the Company are listed. These results are simultaneously displayed on the Company's website. The Company has also complied with e-filing submissions through BSE Listing Centre. All disclosures as required under the SEBI Listing Regulations are made to respective Stock Exchanges where the securities of the Company are listed.

Financial Results are published normally in Indian Express, Business Standard and in Financial Express & Loksatta (Gujarati). These results were also placed on the website of the Company viz. https://www.panchmahalsteel.co.in/investor-relations.php#financial-results.

b) No presentations were made to the Institutional Investors or to the analysts during the financial year 2025-26 and no official news were released for the same except routine publication of financial results as aforesaid.

During FY2025-26, the Company had sent the AGM Notice and Annual Report by e-mail to those shareholders whose email addresses were registered with the Company/RTA/ Depositories. Hard copy of the Annual Report was also sent to the shareholders upon receipt of specific request.

The AGM Notice and Annual Report for FY2025-26 is being sent ONLY through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories and a letter will be sent by the Company providing the web-link, including the exact path where complete details of the Annual Report including the AGM Notice are available, to those shareholder(s) who have not registered their email address with the Company/RTA/Depositories. The Company shall send physical copy of the Annual Report for FY2025-26 to those Members who request for the same at shares@panchmahalsteel.co.in mentioning their Folio No./DP ID and Client ID. The Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, without any delay.

## 9. General Information for Shareholders

| | | |
|---|---|---|
| (i) | Day, Date, Time & Venue of the 53rd Annual General Meeting (AGM) | Friday, the 25th September, 2026 at 11.00 a.m. Venue : The Company will conduct the meeting through VC/ OAVM. The deemed venue of the 53rd AGM shall be the Registered Office of the Company. |
| (ii) | Financial Year of the Company | The financial year of the Company begins from 1st April every year and ends on 31st March of every subsequent year. |
| (iii) | Date of Book Closure | Friday, the 18thSeptember, 2026 to Friday, the 25th September, 2026 (both days inclusive) for the purpose of 53rd AGM. |
| (iv) | Dividend Payment Date | The Board has not recommended any dividend for FY 2025-26. |
| (v) | Name & Address of Stock Exchange(s) where the securities are listed. | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001<br>The Company has paid Listing Fees for the year 2026-27 to the Stock Exchange. |
| (vi) | Stock Code | BSE - 513511 |
| (vii) | ISIN for NSDL & CDSL | INE 798F01010 |
| (viii) | CIN | L27104GJ1972PLC002153 |
| (ix) | Registrar & Share Transfer Agent (RTA) | M/s MCS Share Transfer Agent Limited<br>3B3, 3rd Floor, B-Wing,<br>Gundecha Onclave Premises Co-op. Society Ltd.,<br>Kherani Road, Saki Naka, Andheri (East), Mumbai-400 072<br>Tel Nos.: 022-28516021/ 6022/ 46049717<br>Email : helpdeskmum@mcsregistrars.com |

(x) Share Transfer System

M/s MCS Share Transfer Agent Limited (('MCS'), continues to act as Registrar & Share Transfer Agent of the Company for carrying out the work relating to share transfer / dematerialization /re-materialisation of shares and allied activities.

With effect from 24.04.20026, all investor servicing and share registry work related to our Company is now handled from our Registrar & Share Transfer Agent (RTA) from their Mumbai branch. Their Vadodara office continues to function as a liaison office to facilitate coordination and local support wherever required. The disclosure in this regard has been made by the Company to the Stock Exchange.

(xi) Unclaimed Dividend and Transfer of shares to IEPF

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and

Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The dividend amount and shares transferred to the IEPF can be claimed by the members concerned from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividend amount and shares transferred to IEPF Authority are available on the Company's website at https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the Link (www.iepf.gov.in ).

No claim could be made in respect thereof with the Company. The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares. Those shareholders who have not claimed their dividends for the FY 2021-22 and FY 2024-25 are requested to claim the same. The members concerned are requested to verify the details of their unclaimed amount, if any, from the website of the Company and write to the Company's Registrar before the same becomes due for transfer to the IEPF. The last date for claiming the aforesaid unpaid dividend is 29th October 2029 and 27th October, 2032 respectively.

100 Days campaign – 'Saksham Niveshak' by Investor Education and Protection Fund Authority

A "100 days campaign" was organised from 28th July 2025 to 6th November 2025 under the IEPF Saksham Niveshak Program, to facilitate updation of KYC and bank account details by shareholders and to assist them in claiming unpaid and unclaimed dividends relating to earlier financial years, with a view to preventing transfer of such amounts to the Investor Education and Protection Fund (IEPF). Subsequently, the Company has initiated a Second 100 days campaign from 1st April, 2026 to 9th July 2027. Shareholders are encouraged to avail this opportunity to update their KYC and bank account details and claim unpaid and unclaimed dividends within the stipulated timelines, thereby avoiding transfer of such amounts to the IEPF.

As a part of the above campaign, the Company has made necessary newspaper publications informing members about the process to claim unclaimed dividend and shares.

(xii) Investor Grievance and Share Transfer System

The Company has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. The status on complaints and share transfers are reported to the entire Board on quarterly basis.

During FY 2025-26, Share transfers (transmission/transposition) received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided that documents are complete in all respects. During the year, there was no instance of physical share transfer. The Managing Director and/or the Company Secretary of the Company are empowered to approve such requests.

Securities of the listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Further, SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026 mandated all listed companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, subdivision/splitting of securities

certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that any service request can be processed only after the folio is KYC compliant.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD/P/CIR/2025/97, dated July 5, 2025, has mandated to open a special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 1, 2019 and rejected/returned/not attended to, due to deficiency in the documents/process/or otherwise, for a period of six months from July 7, 2025 till January 6, 2026. Further, SEBI vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026, dated January 30, 2026, has prescribed to open another special window for transfer and dematerialisation of physical securities which were sold/purchased prior to April 1, 2019. This special window shall be open for a period of one year from February 5, 2026 to February 4, 2027. In adherence to the above SEBI Circulars, the Company/RTA had made necessary newspaper advertisements to publicise the opening of the special window and had submitted periodical reports to SEBI in a timely manner.

Further, in order to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

Also, share transactions in electronic form can be effected in a much simpler and faster manner. After a confirmation of a sale/ purchase transaction from the broker, shareholders should approach the Depository Participant ('DP') with a request to debit or credit the account for the transaction. The DP will immediately arrange to complete the transaction by updating the account.

Shareholders should communicate with Company's RTA i.e. MCS Share Transfer Agent Limited, quoting their folio number or Depository Participant ID ('DP ID') and Client ID number, for any queries to their securities.

Shareholders are advised to refer the latest SEBI guidelines/ circular(s) issued for all the holder holding securities in listed companies in physical form from time to time and keep their KYC details updated at all times, to avoid freezing their folio as prescribed by SEBI.

Special window for re-lodgement of physical share transfer requests:

Pursuant to SEBI Circulars dated July 2, 2025 and January 6, 2026 read with SEBI Master Circular issued to RTAs dated February 6, 2026, Members who had submitted transfer deeds for physical shares before April 1, 2019, and whose requests were rejected, returned, or remained unprocessed due to deficiencies, have been provided a special re-lodgement window till February 4, 2027, to re-lodge the transfer requests. Transfers would be approved if all the requisite documents are in place. Transfer of shares under this window will be credited only in dematerialised form and will carry a one-year lock in period from the date of transfer registration. Members are requested to contact the Company or the RTA for assistance in this regard.

Simplification of Procedure for Issuance of Duplicate Share Certificates

SEBI Circular dated December 24, 2025 amended the framework for issuance of duplicate share certificates and has simplified the procedures. The value threshold for documentation has been increased from ₹5 lakh to ₹10 lakh and the documentation requirements have been standardized as under:

- Up to ₹10,000: Undertaking on plain paper (no notarization required)
- Above ₹10,000 and up to ₹10 lakh: Single Affidavit-cum-Indemnity Bond
- Above ₹10 lakh: Affidavit-cum-Indemnity Bond along with FIR/Police Complaint and Newspaper Advertisement.

SEBI vide its Circular HO/38/13/(3)2026-MIRSDPOD/I/3763/2026 dated January 30, 2026, has dispensed with the requirement of issuance of Letter of Confirmation (LOC) and accordingly securities shall be credited directly to the shareholder's demat account by the Company/RTA, subject to due diligence. Requests shall be accompanied by a Client Master List not older than two months, duly attested by the Depository Participant. Any LOC issued prior to April 2, 2026 date may be submitted for dematerialisation within 120 days from its date of issuance.

Dispute Resolution Mechanism at Stock Exchange

To enable the Shareholders to raise any dispute against the Company or its RTA on delay or default in processing any investor services related request, SEBI has provided an option of 'Arbitration with Stock Exchanges (NSE and BSE)' as a Dispute Resolution Mechanism.

Online Dispute Resolution (ODR) Mechanism

SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), read with Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 6, 2026, introduced the Online Dispute Resolution (ODR) Portal. As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint through the SEBI Complaint Redress System (SCORES) platform.

After exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the response, they can initiate dispute through the ODR Portal at https://smartodr.in/login. The Company has complied with the above circulars and the same are available at the website of the Company: https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures.

(xiii) Distribution of Shareholding as at 31.03.2026

| Name of Member | Shares | | | |
|---|---|---|---|---|
| | Number | % to Total Shareholders | Number | % to Total Capital |
| 1-500 | 2344 | 92.32 | 228587 | 1.20 |
| 501-1000 | 93 | 3.66 | 74879 | 0.39 |
| 1001-2000 | 41 | 1.61 | 59029 | 0.31 |
| 2001-3000 | 9 | 0.32 | 19897 | 0.11 |
| 3001-4000 | 7 | 0.28 | 23539 | 0.12 |
| 4001-5000 | 8 | 0.31 | 36643 | 0.19 |
| 5001-10000 | 9 | 0.32 | 54057 | 0.28 |
| 10001 & above | 30 | 1.18 | 18581698 | 97.40 |
| **Total** | **2541** | **100.00** | **19078329** | **100.00** |

(xiv) Category of Shareholding as at 31.03.2026

| Category | Number of Shareholders | Shares | |
|---|---|---|---|
| | | Number | % to Total Capital |
| Promoter & Promoter Group | 6 | 14081029 | 73.81 |
| Institutional Investors: | | | |
| - Banks, Financial Institutions | 2 | 750429 | 3.93 |
| - Government - IEPF Authority | 1 | 96060 | 0.50 |
| Non-Institutional Investors: | | | |
| - Director(s) | 1 | 1900 | 0.01 |
| - Bodies Corporate | 23 | 929504 | 4.87 |
| - Non-Resident Indians | 16 | 6250 | 0.03 |
| - HUF | 44 | 68323 | 0.36 |
| - Clearing Member | 1 | 339 | 0.00 |
| - Public | 2447 | 3144495 | 16.49 |
| **Total** | **2541** | **19078329** | **100.00** |

The Category of Shareholding Pattern given above are based on the Shareholding Pattern filed with the Stock Exchanges as at 31st March, 2026, wherein the Shareholding is consolidated on the basis of PAN.

(xv) Dematerialisation of Shares and liquidity

The Equity Shares of the Company are compulsorily traded in dematerialized form. The Company has established connectivity with both the depositories - NSDL and CDSL for dematerialization of shares and the same are available in electronic segment under ISIN INE798F01010. As on March 31, 2026, total 1,90,04,526 Equity Shares of the Company representing 99.61% of the Share Capital were in electronic form.

| Particulars | Shares | % to Total Issued Capital |
|---|---|---|
| No. of Shares held in dematerialized form in NSDL | 1,48,14,945 | 77.65 |
| No. of Shares held in dematerialized form in CDSL | 41,89,851 | 21.96 |
| No. of Shares held in physical from | 73,803 | 0.39 |
| Total | 1,90,78,329 | 100.00 |

The trading in the Equity Shares of the Company is permitted only in dematerialized form. The Company has entered into agreements, with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through M/s MCS Share Transfer Agent Limited to facilitate the members to demat their shares with any of the depositories.

**Request for updation of PAN, KYC details and Choice of Nomination**

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. Contact details, Mobile Number, Bank Account Details, Signature) and Nomination/Opt-out of Nomination, before getting any Investor Service Request (ISR) processed.

Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC details or Choice of Nomination updated, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 1st April, 2024. Members may refer to the SEBI FAQs (FAQ Nos. 47 & 48) issued in this regard, available on its website at https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf.

Keeping the above statutory requirements in view, members holding shares in physical form are requested to furnish valid PAN, KYC and Nomination details immediately to the RTA / Company in the required forms, to ensure that, their folios are not frozen. In accordance with SEBI Circulars, the Company has sent reminders to concerned shareholders requesting them to update the details. The required forms can be downloaded from the Company's website at link https://www.panchmahalsteel.co.in/investor-relations.php#other-disclosures.

**Suspense Escrow Demat Account**

The Company has not transferred any equity shares to 'Suspense Escrow Demat Account' on account of non- receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA for transmission / name deletion request.

The above process was followed till 31st March, 2026. Pursuant to SEBI circular dated 30th January, 2026, the above process has been simplified by dispensing with the requirement of issuance of LOC with effect from 2nd April, 2026. Accordingly, after processing the investor service requests with necessary due diligence, RTAs/listed companies shall credit the securities directly to the investor's demat account.

(xvi) Outstanding GDRs/ADRs/ Warrants or any convertible instruments - **Not Applicable**

(xvii) Commodity Price Risk or Foreign Exchange Risk & Hedging Activities

The Company faces commodity price risks such as foreign currency fluctuations, volatility in product/ raw- material prices etc. The Company has no hedging activities for commodities.

During the year 2025-26, the Company has done hedging for repayment of Standby Letter of Credit (SBLC).

(xviii) Plant Location

Plot No. 117, GIDC Industrial Estate, Kalol-389330, Dist. Panchmahals (Gujarat).

(xix) Address for Correspondence

All correspondence by Members should be forwarded to the Company's RTA, M/s. MCS Share Transfer Agent Limited or to the Company at the following addresses.

| | |
|---|---|
| Panchmahal Steel Limited<br>Landmark, 7th Floor,<br>Race Course Circle,<br>Vadodara-390007.<br>Tel Nos.: 0265- 2317777<br>E-mail: shares@panchmahalsteel.co.in | M/s MCS Share Transfer Agent Limited<br>3B3, 3rd Floor, B-Wing,<br>Gundecha Onclave Premises Co-op. Society Limited,<br>Kherani Road, Saki Naka, Andheri (East),<br>Mumbai-400 072<br>Tel Nos.: 022-28516021/ 6022/ 46049717<br>Email: helpdeskmum@mcsregistrars.com |

The Company's dedicated e-mail id for Investors queries or complaints is shares@panchmahalsteel.co.in.

(xx) Credit Rating

The Company does not have any long term debt instrument or any fixed deposit program or any scheme or proposal involving mobilization of funds in India or abroad. Hence, no credit rating is obtained in relation to the same.

However, for the working capital facilities that the Company utilizes from its banker, a general credit rating has been obtained by the Company. Accordingly, Rating Agency viz., India Ratings & Research (Ind-RA) has vide its letter dtd. 03.08.2026 has affirmed the ratings of various credit facilities of the Company as stated below:

| Instrument Type | Size of Issue (million) | Rating assigned along with Outlook/watch | Rating Action |
|---|---|---|---|
| Bank Loan Facilities | INR 970.00 | IND BBB-/Stable/IND A3 | Affirmed |

## 10. Other Disclosures:

(a) Related Party Disclosures:

During the financial year 2025-26, there were no materially significant transactions with related party i.e. transactions of the Company of material nature with its Promoters, Directors or the management, their subsidiaries, associates companies or relatives etc. which may have potential conflict with the interests of the Company at large. The details of Related Party Transactions are disclosed in Note No. 34 forming part of the Financial Statements for the year ended 31.03.2026. The Policy on Related Party Transactions is posted on the website of the Company on following web link https://www.panchmahalsteel.co.in/ assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Related-Party-Transaction-Policy.pdf.

(b) Details of non-compliance:

There were no non-compliance matters related to capital markets by the Company during the last three years, nor did the Company attract any penalties or strictures passed by the stock exchanges, SEBI or any other statutory authority, except the following event:

Due to non-compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015, for a part period of quarter ended on 31st March, 2025, BSE Limited vide its email dated 29th May, 2025 had levied a fine of ₹ 1,32,160/- (inclusive of GST) to the Company. The Company's application for waiver of SOP fine was rejected by the Internal Regulatory Oversight and Review Group of BSE Limited and they have vide email dated 20th July, 2026 directed the Company to pay the aforesaid fine amount within 10 days from the date of intimation. The Company has paid the fine to BSE Limited on 21st July, 2026.

(c) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof

The Company's shares were not suspended from trading during the financial year under review.

(d) Vigil Mechanism & Whistle Blower Policy:

The Company has established a vigil mechanism to provide for the safeguards against victimization of Directors and employees who follow such mechanism and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Board has adopted a Whistle Blower Policy for establishment of vigil mechanism pursuant to the provisions of the Act and Regulation 22 of the Listing Regulations as may be applicable.

As per the said Policy, Any Director who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Audit Committee. Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to the Audit Committee as soon as possible but not later than 45 consecutive calendar days after becoming aware of the same.

The Departmental Head shall immediately forward Whistle Blower Report to the Managing Director of the Company. The Managing Director may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Audit Committee. The Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. The investigation shall be completed normally within 45 days of the receipt of the communication regarding alleged wrongful conduct. The decision of the Audit Committee shall be final and binding. The detailed policy on above can be accessed on the Company's website under the weblink: https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Whistle-Blower-Policy.pdf.

During the year under review, no personnel have been denied access to the Audit Committee.

(e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(f) Disclosure in relation to material subsidiaries

The Company does not have any "material subsidiary" in terms of Regulation 24(1) of SEBI LODR.

(g) Details of utilization of funds raised through preferential allotment, Institutions Placement as specified under Regulation 32 (7A)

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

(h) Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Listing Regulations and circulars/guidelines issued thereunder. The Company has obtained and filed the Annual Secretarial Compliance Report for the Financial Year ended March 31, 2026 with the Stock Exchange within the stipulated time.

The Company has engaged the services of Mr. Niraj Trivedi (CP No. 3123), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

(i) Certificate on non-disqualification of Directors

A Certificate as required under Regulation 34(3) and Part C of Schedule V of Listing Regulations has been obtained from Mr. Niraj Trivedi (CP No. 3123), Practicing Company Secretary 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 the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is forming part of this Annual Report.

(j) During the year under report, there is no incident /occasion where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required.

(k) Details of fees paid to Statutory Auditors

The details of total fee paid during the F.Y.2025-26 for all the services rendered by the statutory auditors to the Company and all entities in the network firm / network entity of which the Statutory Auditor is a part, are stated below :

| Firm Name | Particulars | (₹ in Lakhs) |
|---|---|---|
| M/s. CNK & Associates LLP<br>Chartered Accountants, Vadodara | - Audit, Limited Review & Certification<br>- Reimbursement of Expense | 9.08<br>0.00 |
| | Total | 9.08 |

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

The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, No Sexual Harassment complaints were filed or pending for disposal with Company during the year under review.

(m) Disclosure of Loans and advances in the nature of loans to firms/ companies in which Directors are interested by name and amount

During Financial Year 2025-26, the Company has not made Loans and Advances in the nature of loans to firms/ companies in which Directors are interested.

(n) Disclosure of the Extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been Adopted

a) The Board: Chairman of the Company being on Executive position, the provision on entitlement of chairperson's office at the expense of the Company in case of a non-executive chairperson is not applicable.

b) Shareholder rights: Quarterly financial results were published in English newspapers and in Gujarat newspaper. These were not sent individually to the shareholders.

c) Audit Qualifications: The auditors' report does not contain any qualification.

d) Separate post of Chairman and CEO: The Company has same person as Chairman & Managing Director.

e) Reporting of Internal Auditor:

- The Internal Auditor reports directly to the Audit Committee, thereby ensuring independence and transparency in the audit process.
- Internal audit reports are submitted quarterly and are thoroughly reviewed by the Audit Committee, which provides guidance and oversees the implementation of any recommended actions, supporting a culture of continuous improvement.

(o) Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulations 17 to 27 and Clauses (B) to (I) of Sub-Regulation (2) of Regulation 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015.

(p) Code of Conduct for Directors and Senior Management Personnel

In compliance with Regulation 26(3) of the SEBI Listing Regulations and the Companies Act, 2013, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company on following web link https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/Code%20of%20Conduct%20for%20Directors%20&%20Senior%20Management.pdf. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code and forms part of this Report.

(q) Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Insider Trading Code) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as a mended from time to time.

The aforesaid Code and Policies have been uploaded on website of the Company and can be accessed through the following link : https://www.panchmahalsteel.co.in/assets/pdfs/disclosure-under-reg-46-2-of-the-LODR/policies/Policy-on-Code-of-Conduct-to-Regulate-Monitor-Report-Trading-by-Insiders.pdf.

## 11. Disclosure of certain types of agreements binding the Company

The Company has not entered into any agreement / has not been informed of any agreement under Regulation 30A(1) read with clause 5A of paragraph A of Part A of Schedule III of Listing Regulations which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

## 12. CEO/CFO Certificate

In terms of Regulation 17(8) of the SEBI Listing Regulations, the Chairman & Managing Director of the Company has furnished the requisite certificate to the Board of Directors of the Company. The certificate forms part of this Report.

## 13. Management Discussion and Analysis Report

The Management Discussion and Analysis Report prepared by the management & forming part of Annual Report is separately attached.

## 14. Certificates on Corporate Governance

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the Company has obtained a certificate from CS Niraj Trivedi, Practicing Company Secretary, Vadodara regarding compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations and forms part of this Report.

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## Declaration by the Chairman & Managing Director

To,
The Members of
Panchmahal Steel Limited

Sub : Compliance with Code of Conduct - Pursuant to Regulation 26(3) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as applicable to them in respect of the financial year 2025-26.

For and on behalf of the Board of Directors

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

## CERTIFICATE ON CORPORATE GOVERNANCE

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

To,
The Members of

Panchmahal Steel Limited
(CIN: L27104GJ1972PLC002153)
GIDC Industrial Estate, Kalol - 389 330, Dist. Panchmahal, Gujarat.

I have examined the compliance of the conditions of Corporate Governance by Panchmahal Steel Limited, CIN: L27104GJ1972PLC002153, having Registered Office at GIDC Industrial Estate, Kalol - 389 330, Dist. Panchmahal, Gujarat (hereinafter referred to as "the Company"), for the Financial Year ended on 31st March, 2025, as stipulated under Regulation 17 to 27 and clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

In my opinion and to the best of my information and according to the explanations given to me, and representations made by the management, I certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.,

Due to non-compliance of Regulation 19(1)/19(2) of the SEBI (LODR) Regulations, 2015, for a part period of quarter ended on 31st March, 2025, BSE Limited vide its email dated 29th May, 2025 had levied a fine of ₹ 1,32,160/- (inclusive of GST) to the Company. The Company's application for waiver of SOP fine was rejected by the Internal Regulatory Oversight and Review Group of BSE Limited and they have vide email dated 20th July, 2026 directed the Company to pay the aforesaid fine amount within 10 days from the date of intimation. The Company has paid the fine to BSE Limited on 21st July, 2026.

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

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

Sd/-
NIRAJ TRIVEDI
Practicing Company Secretary
C. P. No.: 3123
FCS : 3844
P R N0.: 7078/2025
UDIN : F003844H001002116

Place : Vadodara
Date : 3rd August, 2026

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
PANCHMAHAL STEEL LIMITED
(CIN: L27104GJ1972PLC002153)
GIDC Industrial Estate,
Kalol- 389 330, Dist. Panchmahal, Gujarat.

Dear Sir / Madam,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Panchmahal Steel Limited, CIN:L27104GJ1972PLC002153, having Registered Office situated at GIDC Industrial Estate, Kalol - 389 330, Dist. Panchmahal, Gujarat (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In my opinion and to the best of my 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 me by the Company and its officers, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026, have been debarred or disqualified from being appointed or continuing as the Directors of the Companies, by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority:-

| Sr. No. | Name of Directors | DIN | Date of Appointment in Company* |
|---|---|---|---|
| 1. | Mr. Ashok Ramlubhaya Malhotra | 00120198 | 14/11/2014# |
| 2. | Ms. Suchita Bhavik Shah | 00427169 | 31/03/2015 |
| 3. | Mr. Samir Mandusudan Parikh | 01646819 | 04/02/2019 |
| 4. | Mr. Kalpesh Jankasinh Parmar | 00230588 | 14/02/2020 |
| 5. | Mr. JaswantKumar P. Jain | 10719368 | 12/08/2024 |
| 6. | Mr. Swapon Lalitmohan Adhikary | 07135873 | 12/08/2024 |

# Mr. Ashok Ramlubhaya Malhotra is associated as a Managing Director of the Company since 1976 and he has been reappointed as a Managing Director of the Company, from time to time and continue as a Managing Director of the Company.

* The Date of Appointment is as per MCA Portal.

Ensuring the eligibility for the appointment / continuation of every Director of the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the basis of my verification. 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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the financial year ended 31st March, 2026.

Sd/-
NIRAJ TRIVEDI
Practicing Company Secretary
C.P. No.: 3123
FCS : 3844
P. R. NO.: 1014/2020
UDIN : F003844H001002028

Place : Vadodara
Date : 3rd August, 2026

## Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

We have reviewed the attached Financial Statements and the Cash Flow Statement of PANCHMAHAL STEEL LIMITED for the year ended 31st March 2026, and certify that:

a) To the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are incompliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 25th May, 2026

## Annexure - E to Directors' Report

## Management Discussion and Analysis Report

### Overview

The objective of this report is to convey the Management's perspective on the stainless-steel industry. This Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report and Annual Accounts 2025-26.

### Industry Structure, Developments

The Company is primarily engaged in the manufacturing of stainless steel long products and has grown from a modest manufacturing unit into one of India's leading producers of specialty stainless-steel long products- built on a legacy of innovation, reliability and uncompromising quality. The Company has a single-site setup—from steel melting, hot rolling and cold finishing, and is serving a comprehensive range of Stainless-Steel grades, in wire rods, bars & wires to critical sectors.

These materials are engineered to deliver superior corrosion resistance, high tensile strength and durability, excellent machinability, heat resistance, cleanability & hygiene and aesthetic appeal, making it suitable for a wide range of applications in engineering, construction, infrastructure, automotive and railways, oil and gas, defense, energy, consumer durables, food processing and dairy industry, housing and pharmaceuticals etc..

### Performance

FY 2025–26 was characterized by a challenging macroeconomic environment marked by subdued demand growth, geopolitical volatility, evolving market dynamics and persistent global uncertainties. Against this backdrop, your Company achieved a total income of Rs.387.22 crores during FY 2025-26 as compared to Rs.385.81 crores in the previous year. The Company posted a Loss of Rs.2.26 crores during the year. The loss is primarily attributable to Tax credit reversal of ₹ 2.79 crore.

### Opportunities, Threats, Risk & Concerns

The Company is an established and recognized producer of stainless-steel long products with customers around the world. The Company's philosophy of focusing on value added products and expanding the customer base provides the necessary resilience to successfully overcome challenges through different parts of the business cycle. The Company is confident of high quality and sustainable growth and profitability and remained focused on strengthening its core business, enhancing operational performance by adding value-added products, disciplined cost management, and serving the evolving requirements of customers across its key end-use industries.

Risk is inherent in every business. The steel industry is deeply connected to the global economy. The business environment remains volatile as changing tariff rates and shifting announcements caused frontloading of trade in different phases. The geopolitical risks around trade policy uncertainty, and ongoing conflicts continued to weigh on global economic sentiment. Changes in the demand and supply scenario can cause disruptions in the global markets. Volatility in the raw materials prices can also be cause for concern. However, with ever changing market dynamics, Panchmahal Steel Limited is equipped to provide customized products and services for global markets, for volume as well as for specialty niche market requirements.

### Outlook for the year 2026-27

The global business environment is changing, and every geo-political region is trying to protect its industries and economy by strengthening their safeguards and trade defense measures.

While the near-term outlook remains cautious, global steel demand is expected to stabilize and gradually improve, underpinned by structural demand growth in emerging economies and a tentative recovery in key developed markets, subject to an early resolution of the US-Iran conflict.

Amid geopolitical uncertainties, evolving trade dynamics, and shifting global supply chains, India's growth story continued to demonstrate remarkable resilience and momentum. As the nation moves towards the vision of Viksit Bharat 2047, manufacturing will play a defining role in shaping this transformation.

The long-term outlook for the Indian stainless-steel industry remains optimistic, with continued infrastructure development, industrial expansion, and supportive government policies driving its growth.

Despite challenging times, the Company is fully geared for stronger growth by producing high value niche products and concentrating more on actual user customers. India is also growing as a quality conscious market, which gives the Company an edge over competition.

## Changes in Key Financial Ratios

The change in the key financial ratios as compared to previous year is stated below:

| Name of Ratio | F.Y. 2025-26 | F.Y. 2024-25 | Change % | Reason for variation if change is more than ± 25% as compared to PY |
|---|---|---|---|---|
| Current Ratio (No. of times) | 2.56 | 2.44 | 5% | NA |
| Debt-Equity Ratio (No. of times) | 0.23 | 0.31 | -25% | Due to lower utilization of working capital facilities. |
| Debt Service Coverage Ratio (No. of times) | 2.72 | 3.66 | -26% | Due to lower profitability in current year. |
| Return on Equity | -1.46% | 2.10% | -169% | Due to lower profitability in current year and earlier year's Tax impact. |
| Inventory Turnover Ratio (No. of times) | 3.11 | 3.11 | 0% | NA |
| Trade Receivable Turnover Ratio (No. of times) | 8.22 | 8.81 | -7% | NA |
| Trade Payable Turnover Ratio (No. of times) | 16.38 | 16.88 | -3% | NA |
| Net Capital Turnover Ratio (No. of times) | 3.69 | 3.60 | 3% | NA |
| Net Profit Ratio | -0.58% | 0.86% | -167.82% | Due to lower profitability in current year and earlier year's Tax impact. |
| Return on Capital Employed | 2.72% | 4.08% | 33% | Due to lower profitability in current year and earlier year's Tax impact. |
| Return on Investment | - | - | - | NA |

## Internal Control Systems

The Company has proper and adequate systems of internal control ensuring efficiency of operations, statutory compliances, reporting and recording of transactions. The system is supported by management and internal audit.

## Human Resources

The Company's human resource policy lays stress on motivating and training people for better work culture and environment and continuous improvement in productivity, efficiency and quality.

For and on behalf of the Board of Directors
**Sd/-**
**Ashok Malhotra**
**Chairman & Managing Director**
**DIN : 00120198**

Place : Vadodara
Date : 3rd August, 2026

# INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
PANCHMAHAL STEEL LIMITED

**Report on the audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of PANCHMAHAL STEEL LIMITED ("the Company"), which comprises the Balance Sheet as at 31st March 2026, 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 explanatory information (herein after referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report

**Information other than the Financial Statement and Auditor's Report thereon**

The Company's Management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Management discussion and analysis, board's report including Annexure to Board's Report, Corporate Governance and Shareholder's information, but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information are expected to be made available to us after the date of this auditor's report. Any Material misstatement thereon pertaining to it, will be reported thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are 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 financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management and Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibilities for the Audit of 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards;

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer 30 (i)(a) to the financial statements.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2026. iv.

i. The Management has represented that , to the best of its knowledge and belief, as disclosed in note no. 40(d)(v) to the accounts , no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

ii. The Management has represented that , to the best of it's knowledge and belief, as disclosed in note no. 40(d)(vi) to the accounts, that no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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

iii. Based on such audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The dividend proposed in the previous year , declared and paid by the company during the year is in accordance with section 123 of the Act. Further, the company has not proposed any dividends during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For CNK & Associates, LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036

Sd/-
Pareen Shah
Partner
Membership No. 125011
Place: Vadodara
Date: 25th May, 2026
UDIN: 26125011QWHTBP2898

## Annexure A to the Independent Auditors' Report

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the company of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of the property, plant and equipments;

(B) The Company does not hold any intangible assets and accordingly, the requirements under paragraph 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 ("the Order") is not applicable to the Company;

(b) The company has a phased programme of physical verification of its Property, plant and Equipments so as to cover all assets once in three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, certain Property, plant and Equipments were verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

(c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements, are held in the name of the Company as at the Balance Sheet date except following:

(₹ in Lakhs)

| SN | Description of item of property | Gross carrying value as on 31.03.26 | Title deeds held in the name of | Title deed holder | Property held since which date | Reason for not being held in the name of the company** |
|---|---|---|---|---|---|---|
| 1 | Land at Plot no. 42 - Charotar CHSL | 1.68 | Late. Mr. Ramlubhaya Malhotra | Promoter | 20/01/1984 | As per by laws of the society, Corporate cannot become member so properties are in the name of promoter/ relative of promoter. |
| 2 | Land at Plot no. 43 - Charotar CHSL | 1.71 | Mr. Ashok R. Malhotra | Promoter | 20/01/1984 | |
| 3 | Land at Plot no. 44 - Charotar CHSL | 3.00 | Mr. Ravi R. Malhotra | Relative of Promoter | 23/10/1986 | |
| 4 | Land at Plot Nos.C-1/B-102 | 2.21 | M/S. Precision Engineering Company | | 11/04/2007 | Company has executed MOU and agreement to sale with the seller. Company has paid total consideration and taken possession from seller. Sale deed could not be executed |

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

(ii) (a) As per the information and explanations given to us, the inventories held by the company have been physically verified by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on physical verification;

(b) Based on our examination of the records provided by the management, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and the quarterly returns and statements filed by the company with banks are broadly in agreement with the books of account of the company and no material unreconciled discrepancies have been observed (Also refer note 40(c) to the financial statements);

(iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence the requirements of paragraph 3(iii) of the Companies (Auditor's Report) Order, 2020 ("the order") are not applicable to the company;

(iv) In our opinion and according to the information provided to us, there are no loan to directors including entities in which they are interested in respect of which provision of section 185 are applicable and hence not commented upon. Further, in our opinion and according to information and explanation given to us, provision of section 186 in respect of loans and advances given and investment made have been complied with by the Company. There are no guarantees and securities given in respect of which provision of section 186 of the Act are applicable and hence not commented upon;

(v) The company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and other relevant provisions of the Act and rules made thereunder;

(vi) We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

(vii) (a) In our opinion, the company is generally regular in depositing undisputed statutory dues including Goods and Service tax , provident fund, employee state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the appropriate authorities.

Further, there were no undisputed amounts payable with respect to above statutory dues in arrears as at March 31, 2026 for a period of six months from the date they became payable

(b) According to the information and explanations given to us and the records examined by us, the particulars of statutory dues as at March 31, 2026 which have not been deposited on account of a dispute are as follows:

(₹ in Lakhs)

| Name of the Statute | Nature of dues | Gross Amount | Amount Deposited | Net Amount | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|---|---|---|
| Custom Act, 1962 | Custom Duty | 42.32 | 1.59 | 40.74 | 2014 to 2015 | CESTAT, Mumbai |
| Central Excise Act, 1944 | Excise Duty | 102.95 | 10.27 | 92.67 | 2012 to 2015 | CESTAT, Ahmedabad |
| Goods & Service Tax Act, 2017 | Goods & Service Tax | 105.70 | 5.04 | 100.65 | 2017 - 2018 | GST Appeal Vadodara |

(viii) There were no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;

(b) The company is not declared as wilful defaulter by any bank or financial institution or other lender;

(c) The company has not taken any term loan from any lender. Accordingly reporting under clause 3(ix)(c) of the order is not applicable to the company;

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company;

(e) According to the information and explanations given to us, and the records examined by us, the company has no subsidiaries, associates or joint ventures. Accordingly, reporting under the clause 3 (ix) (e) and (f) is not applicable;

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable;

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable;

(xi) (a) During the course of our examination of the books of account 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, we have neither come across any incidence of fraud on or by the company noticed or reported during the year, nor we have been informed of any such case by the management;

(b) According to the information and explanations given to us, no report under sub- section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us, and based on our examination of the records, Company has not received any whistle blower complaints during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

(xiii) In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements Note no. 34 as required by the applicable accounting standards;

(xiv) (a) In our opinion and the records examined by us, the company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of the Companies Act, 2013 are not applicable;

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) As informed to us , there is not more than one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016);

(xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year;

(xviii)There has been no resignation of the statutory auditors during the year;

(xix) Based on our examination of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

(xx) (a) During the year , the company is not required to spent any amount towards Corporate Social Responsibility (CSR ) as prescribed under section 135 of the Act.. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year;

(xxi) According to the information and explanations provided by the management, the company has no subsidiary, associates or joint venture and the company is not required to prepare Consolidated Financial Statements as per the section 129 of the Companies Act. Accordingly reporting under clause 3(xxi) is not applicable to the Company.

For CNK & Associates, LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036

Sd/-
Pareen Shah
Partner
Membership No. 125011
Place: Vadodara
Date: 25th May, 2026
UDIN: 26125011QWHTBP2898

## Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Panchmahal Steel Limited ("the Company") as of 31st March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an internal financial controls with reference to financial statements of the company and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For CNK & Associates, LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036

Sd/-
Pareen Shah
Partner
Membership No. 125011
Place: Vadodara
Date: 25th May, 2026
UDIN: 26125011QWHTBP2898

## BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | Note No | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| **I. ASSETS** | | | |
| **Non-Current Assets** | | | |
| a. Property, Plant and Equipment | 3 | **5,182.75** | 5,739.25 |
| b. Capital Work-in-Progress | 3 | **41.65** | - |
| c. Financial Assets | | | |
| i) Investments | 4 | **0.02** | 0.02 |
| ii) Other Financial Assets | 5 | **63.72** | 60.03 |
| d. Other Non-Current Assets | 6 | **65.21** | 378.56 |
| **Total Non-Current Assets** | | **5,353.35** | 6,177.86 |
| **Current Assets** | | | |
| a. Inventories | 7 | **12,042.62** | 12,670.50 |
| b. Financial Assets | | | |
| i) Trade Receivables | 8 | **4,753.47** | 4,591.87 |
| ii) Cash and Cash Equivalents | 9 | **29.23** | 31.64 |
| iii) Bank Balances other than (ii) Above | 10 | **47.02** | 43.21 |
| iv) Other Financial Assets | 11 | **4.85** | 2.95 |
| c. Other Current Assets | 12 | **210.46** | 660.59 |
| **Total Current Assets** | | **17,087.65** | 18,000.76 |
| **TOTAL ASSETS** | | **22,441.00** | 24,178.63 |
| **II. EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| a. Equity Share Capital | 13 | **1,907.83** | 1,907.83 |
| b. Other Equity | 14 | **13,161.66** | 14,121.93 |
| Total Equity | | **15,069.49** | 16,029.76 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| a. Provisions | 15 | **177.78** | 86.19 |
| b. Deferred Tax Liabilities(Net) | 16 | **515.72** | 650.26 |
| **Total Non-Current Liabilities** | | **693.50** | 736.45 |
| **Current Liabilities** | | | |
| a. Financial Liabilities | | | |
| i) Borrowings | 17 | **3,522.27** | 4,966.46 |
| ii) Trade Payables | 18 | | |
| a) Total Outstanding Dues of Micro Enterprises and Small Enterprises | | **229.22** | 122.18 |
| b) Total Outstanding Dues other than Micro and Small Enterprises | | **2,006.55** | 1,822.84 |
| iii) Other Financial Liabilities | 19 | **281.45** | 221.87 |
| b. Other Current Liabilities | 20 | **367.47** | 198.34 |
| c. Provisions | 21 | **193.39** | 80.73 |
| d. Current Tax Liabilites (Net) | | **77.66** | - |
| **Total Current Liabilities** | | **6,678.01** | 7,412.42 |
| **TOTAL EQUITY AND LIABILITIES** | | **22,441.00** | 24,178.63 |

See accompanying notes forming part of the financial statement

As per our report of even date.
For **CNK & Associates LLP**
Chartered Accountants
Firm Regn. No. 101961W/W-100036

**Pareen Shah**
Partner
Membership No. 125011

Vadodara, 25th May, 2026

**Kalpesh Parmar**
Director
DIN: 00230588

For and on behalf of the Board of Directors
Panchmahal Steel Limited

**Ashok Malhotra**
Chairman & Managing Director
DIN: 00120198

**Deepak Nagar**
AVP (Legal) & Company Secretary

Vadodara, 25th May, 2026

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | Note No | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|---|
| **I.** Revenue from Operations | 22 | **38,424.12** | 38,310.11 |
| **II.** Other Income | 23 | **298.25** | 271.29 |
| **III. Total Income (I + II)** | | **38,722.37** | 38,581.40 |
| **IV. Expenses:** | | | |
| Cost of Materials Consumed | 24 | **26,395.66** | 28,649.06 |
| Change in Inventory of Finished Goods | 25 | **875.63** | (2,149.78) |
| Employee Benefits Expenses | 26 | **2,429.54** | 2,227.12 |
| Finance Costs | 27 | **541.29** | 560.89 |
| Depreciation and Amortization Expenses | 3 | **797.99** | 805.50 |
| Other Expenses | 28 | **7,608.64** | 8,032.90 |
| **Total Expenses** | | **38,648.75** | 38,125.69 |
| **V. Profit Before Tax (III- IV )** | | **73.62** | 455.71 |
| **VI. Tax Expense:** | | | |
| Current Tax | 29 | **101.01** | 198.76 |
| Deferred Tax | | **(80.20)** | (82.07) |
| Tax Credit Reversal | | **279.15** | 6.49 |
| | | **299.96** | 123.17 |
| **VII. Profit for the Year (V-VI)** | | **(226.34)** | 332.53 |
| **VIII. Other Comprehensive Income / (Loss)** | | | |
| **(i) Items that will not be Reclassified to Profit or Loss** | | | |
| - Remeasurement of Defined Benefit Plans | | **(215.92)** | 11.14 |
| **Income Tax Relating to Items that will not be Reclassified to Profit or Loss** | | | |
| - Remeasurement of Defined Benefit Plans | | **54.34** | (2.80) |
| **Total Other Comprehensive Income / (Loss)** | | **(161.58)** | 8.34 |
| **IX. Total Comprehensive Income / (Loss) for the Year (VII+VIII)** | | **(387.92)** | 340.87 |
| **X. Earnings per Equity Share** | 32 | | |
| (1) Basic | | **(1.19)** | 1.74 |
| (1) Diluted | | **(1.19)** | 1.74 |

See accompanying notes forming part of the financial statement

For and on behalf of the Board of Directors
Panchmahal Steel Limited

As per our report of even date.
For **CNK & Associates LLP**
Chartered Accountants
Firm Regn. No. 101961W/W-100036

**Pareen Shah**
Partner
Membership No. 125011

Vadodara, 25th May, 2026

**Kalpesh Parmar**
Director
DIN: 00230588

**Ashok Malhotra**
Chairman & Managing Director
DIN: 00120198

**Deepak Nagar**
AVP (Legal) & Company Secretary

Vadodara, 25th May, 2026

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

| Particulars | | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|---|
| **A. Cash Flow from Operating Activities** | | | |
| **Profit before Tax :** | | 73.62 | 455.71 |
| **Adjustments for :** | | | |
| Depreciation and Amortization Expenses | | 797.99 | 805.50 |
| Finance Cost | | 541.29 | 560.89 |
| Loss/(Profit) on sale/disposal of Property, Plant and Equipment | | (1.80) | (0.04) |
| Interest Income | | (16.36) | (14.94) |
| Expected Credit Loss | | 0.05 | - |
| Net Unrealised Foreign Exchange (Gain)/Loss | | (3.83) | 6.97 |
| **Operating Profit before Working Capital Changes :** | | **1,390.96** | **1,814.08** |
| **Adjustments for (increase) / decrease in Operating Assets :** | | | |
| Inventories | | 627.88 | (740.16) |
| Trade Receivables | | (152.57) | (492.83) |
| Other Current Assets | | 450.13 | (352.40) |
| Other Non Current Assets | | (12.94) | 29.78 |
| **Adjustments for increase / (decrease) in Operating Liabilities :** | | | |
| Trade Payables | | 284.78 | (290.97) |
| Other Financial Liabilities | | 56.59 | (17.91) |
| Other Liabilities | | 169.13 | (106.73) |
| Provisions | | (11.67) | 19.06 |
| **Cash generated from Operation** | | 2,802.29 | (138.10) |
| Direct Taxes (Payment) / Refund | | 53.75 | (366.76) |
| **Net Cash from Operating Activities** | **...A** | **2,856.04** | **(504.86)** |
| **B. Cash Flow from Investing Activities** | | | |
| Purchase of Property, Plant and Equipment | | (314.74) | (19.87) |
| Sale / disposal of Property, Plant and Equipment | | 3.44 | 0.10 |
| Bank Deposits | | (7.49) | 119.84 |
| Interest Received | | 14.46 | 19.64 |
| **Net Cash (used in) / from Investing Activities** | **...B** | **(304.33)** | **119.71** |
| **C. Cash Flow from Financing Activities** | | | |
| Net increase / (decrease) in Short Term Borrowings (Net) | | (1,444.19) | 976.35 |
| Finance Cost | | (540.68) | (563.32) |
| Dividend Payment | | (569.98) | - |
| **Net Cash (used in)/ from Financing Activities** | **...C** | **(2,554.85)** | **413.03** |
| **Net increase/(decrease) in Cash & Cash Equivalents** | **( A+B+C )** | **(3.14)** | **27.87** |

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| **Cash and Cash Equivalents at the beginning of the year :** | | |
| Cash on Hand | 1.39 | 1.23 |
| Balance with Banks in Current Account | 30.47 | 2.54 |
| Exchange Gain/Loss on Foreign Currency | (0.22) | - |
| **Cash and Cash Equivalents** | **31.64** | **3.77** |
| **Cash and Cash equivalents at the closing of the year :** | | |
| Cash on Hand | 1.41 | 1.39 |
| Balance with Banks in Current Account | 27.82 | 30.47 |
| Exchange Gain/Loss on Foreign Currency | (0.73) | (0.22) |
| **Cash and Cash Equivalents** | **28.50** | **31.64** |
| **Net increase/(decrease) as disclosed above** | (3.14) | 27.87 |

**Notes:**

1. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
2. In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, Cash Flows from Current Borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
3. During the year there are no Non-cash transaction from Investing and Financing Activities.

As per our Report of even date.

For and on behalf of the Board of Directors
Panchmahal Steel Limited

For **CNK & Associates LLP**
Chartered Accountants
Firm Regn. No. 101961W/W-100036

**Kalpesh Parmar**
Director
DIN: 00230588

**Ashok Malhotra**
Chairman & Managing Director
DIN: 00120198

**Pareen Shah**
Partner
Membership No. 125011

Vadodara, 25th May, 2026

**Deepak Nagar**
AVP (Legal) & Company Secretary

Vadodara, 25th May, 2026

# STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2026

## A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Particulars | Note No. | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| **Opening Balance** | | 1,907.83 | 1,907.83 |
| Changes in Equity Share Capital due to prior periods errors | 13 | | |
| Restated Balance at the beginning of the current reporting period | | 1,907.83 | 1,907.83 |
| Changes in equity share capital during the year | 13 | | |
| **Restated Balance at the beginning of the current reporting period** | | **1,907.83** | **1,907.83** |

## B. OTHER EQUITY

(₹ in Lakhs)

| Particulars | Capital Reserve | Securities Premium | General Reserve | Retained Earnings | Total Other Equity |
|---|---|---|---|---|---|
| As at April 1, 2024 | 175.71 | 7,712.71 | 300.00 | 5,592.63 | 13,781.06 |
| Addition during the year | | | | | |
| Profit for the year | - | - | - | 332.53 | 332.53 |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | 8.34 | 8.34 |
| Other comprehensive income for the year | - | - | - | - | - |
| **As at March 31, 2025** | **175.71** | **7,712.71** | **300.00** | **5,933.50** | **14,121.93** |
| As at April 1, 2025 | 175.71 | 7,712.71 | 300.00 | 5,933.50 | 14,121.93 |
| Addition during the year | | | | | |
| Loss for the year | - | - | - | (226.34) | (226.34) |
| Remeasurements of post-employment benefit obligation, net of tax | - | - | - | (161.58) | (161.58) |
| Dividend paid | | | | (572.35) | (572.35) |
| **Balance as at March 31, 2026** | **175.71** | **7,712.71** | **300.00** | **4,973.24** | **13,161.66** |

See accompanying notes forming part of the financial statement

As per our Report of even date.

For and on behalf of the Board of Directors
Panchmahal Steel Limited

For **CNK & Associates LLP**
Chartered Accountants
Firm Regn. No. 101961W/W-100036

**Kalpesh Parmar**
Director
DIN: 00230588

**Ashok Malhotra**
Chairman & Managing Director
DIN: 00120198

**Pareen Shah**
Partner
Membership No. 125011

**Deepak Nagar**
AVP (Legal) & Company Secretary

Vadodara, 25th May, 2026

Vadodara, 25th May, 2026

## NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

**COMPANY OVERVIEW AND MATERIAL ACCOUNTING POLICIES:**

**1. Corporate Information:**

Panchmahal Steel Limited ("PSL" or the "Company") is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed with Bombay Stock Exchange (BSE). The registered office of the Company is located at GIDC Industrial Estate, Kalol-389 330, Dist. Panchmahal, Gujarat. The Company is principally engaged in manufacturing of Stainless Steel Long Products viz., Bars, Rods and Wires.

The financial statements are approved by the Company's Board of Directors on 25th May , 2026.

**2.1 Statement of compliance**

The Company has prepared financial statements for the year ended March 31, 2026 in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) together with the comparative period data as at and for the year ended March 31, 2026.

**2.2 Basis of preparation of financial statements:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements for the year ended 31st March 2026 are prepared in accordance with Ind AS.

**2.3 Composition of Financial Statements**

The financial statements are drawn up in Indian Rupees, the functional currency of the Company, and in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

**2.4 Material Accounting Policies**

**A. Key Accounting Estimates, Assumptions and Management Judgments:**

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Any revision to such estimates is recognized in the period in which the same is determined.

Estimates and assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standard.

**B. Historical cost convention:**

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans- measured at fair value

**C. Functional and presentation currency:**

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

**D. Current and non-current classification:**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

**An asset as current when it is:**

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**E. Property, Plant and Equipment:**

**Recognition and measurement**

Property, plant and equipment are recorded at cost of acquisition/construction less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price including non-refundable purchase taxes and any directly attributable cost of bringing the assets to its working condition and location for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognized in the Statement of Profit or Loss.

**Subsequent Expenditure**

Subsequent expenditure on major maintenance or repairs includes the cost of the replacement of parts of assets and overhaul costs. Where an asset or part of an asset is replaced and it is probable that future economic benefits associated with the item will be available to the Company, the expenditure is capitalized and the carrying amount of the item replaced is derecognized. Similarly, overhaul cost associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amount of the cost of previous overhauls are derecognized. All other costs are expensed as incurred.

**Depreciation**

Depreciation is recognized so as to write off the cost of the assets (other than freehold land and Capital work in progress) less their residual values over their useful lives, using the straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013 The Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimated accounted for on a prospective basis. The estimated useful lives are as mentioned below:

| Asset | Useful Lives (Years) |
|---|---|
| Factory Building | 30 years |
| Plant & Machinery | 20 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 8 years |
| Office Equipments | 10 years |
| Computer & Hardware (EDP Equipment) | 6 years |

**De-Recognition**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of that asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

**Capital Work-in-Progress**

Project under commissioning and/or construction wherein assets are not ready for use in the manner intended by the management are carried at cost. At the point when an asset is operating at management's intended use, the cost of construction and/or commissioning is transferred to the appropriate category of property, plant and equipment.

**F. Impairment of Assets:**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss

**G. Inventories:**

Inventories are stated at the lower of cost and net realisable value. Cost is ascertained on a weighted average basis. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

**H. Trade receivables:**

Trade receivables that do not contain a significant financing component are measured at transaction price less any provisions for doubtful debts based on expected credit loss calculation. Provisions are made where

there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

**I. Financial instruments:**

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument.

**i) Financial Assets:**

**Initial recognition and measurement**

All financial assets except trade receivables that do not contain a significant financing component are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e, the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in three categories:

**a) Amortized Cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model with the objective of collecting the contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortized cost includes loans receivable, trade and other receivable and other financial assets that are held with the object of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortized cost using the effective interest rate (EIR) method less impairment.

**b) Fair Value through Other Comprehensive Income:**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within the business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Movements in the carrying amount are taken through other comprehensive income, except for recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

**c) Fair Value through Profit or Loss:**

Financial assets, which are not classified in any of the above categories, are subsequently faired valued through profit or loss.

**d) De-recognition**

The Company derecognizes a financial asset 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.

**e) Impairment**

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial

assets, which are not fair valued through profit or loss/OCI. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. Trade receivables are of short duration, normally less than twelve months and hence the loss allowance measured as lifetime ECL does not differ from that measured as twelve months ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

**ii) Financial Liabilities:**

**Initial recognition and measurement**

The financial liabilities are classified at initial recognition as at fair value through profit or loss or as those measured at amortized cost. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

**Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as under:

**a) Fair Value through Profit or Loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

**b) Amortized Cost:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effecting interest rate method.

**c) De-recognition :**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the Effective Interest rate (EIR) amortization process.

**J. Cash and Cash equivalents:**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**Cash Flow Statement:**

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

**K. <u>Foreign Currencies:</u>**

**Initial Recognition**

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency.

**Conversion**

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the rates prevailing on the reporting date.

Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

**L. Revenue Recognition:**

Revenue is measured based on the identification of performance obligations in a contract and is recognised when or as those performance obligations are satisfied. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price(net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered if any are net off variable consideration on account of various discounts, schemes, rebates offered by the company as the part of the contract.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer.

Revenue is recognised when the amount can be measured reliably , it is probable that the economic benefits associated with the transaction will flow to the company , the costs incurred or to be incurred can be measured reliably.

**Sale of Goods**

With regard to sale of goods revenue is recognized when significant control connected with the ownership have been transferred to the Customers. This usually occurs upon dispatch after the price has been determined. The company does not provide any extended warranties or maintenance contract to its customers. Sales are stated net of returns, trade discounts, and other applicable taxes or duties collected on behalf of the government.

Income from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers.

**M. Other Income:**

**Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis and is included in other income in the Statement of Profit and Loss.

**Export Incentives**

Export incentives available under prevalent schemes are recognized as income in the year of exports and when there is reasonable assurance that the Company will comply with the conditions and the incentives will be received.

The benefits accrued under the duty drawback scheme as per the Import and export Policy in respect of exports under the said scheme are recognized when there is a reasonable assurance that the benefit will be received and the company will comply with all attached conditions. The above benefit has been included under the head 'Export Incentives.'

**N. Employee Benefits:**

A liability is recognized in respect of short-term employee benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

**Contribution towards defined benefit contribution schemes**

Company`s contribution to Provident Fund, Superannuation Fund, Employee State Insurance and other funds are determined under the relevant schemes and/or statue and charged to revenue.

**Defined Benefit Obligation Plans:**

**Gratuity**

The Company operates a defined benefit gratuity plan which requires contributions to be made to a separately administered fund held with Life Insurance of India.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

The service cost and the net interest cost are charged to the Statement of Profit and Loss. Actuarial gains and losses arise due to re-measurement as result of the actual experience and the assumed parameters and changes in the assumptions used for valuation are recognized in the Other Comprehensive Income (OCI).

**Compensated absences**

The Company has a policy to allow accumulation of leave by employees up to certain days. The excess leave will be encashed. Accordingly, the excess leave liability is discharged by the Company. Remaining accumulated leave liability as at the year end is provided.

**O. Borrowing Costs:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing Costs directly attributable to acquisition or construction of qualifying fixed assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss account in the year in which they are incurred.

**P. Taxation:**

**Current Income Tax**

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in Other Comprehensive Income. Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**Deferred Tax**

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**Q. Provisions, Contingent Liabilities and Contingent Assets:**

**Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

**Contingent Liabilities:**

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

**Contingent Assets:**

Contingent Assets are not recognised but are disclosed in the notes to the financial statements.

The Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**R. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.5. Recent pronouncements**

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. MCA has notified amendments to Ind AS 1 – Presentation of Financial Statements (classification of liabilities as current or non current, including liabilities with covenants), Ind AS 12 – Income Taxes (International Tax Reform – Pillar Two Model Rules), Ind AS 21 – The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability), and Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements), effective from April 1, 2025. The Company has reviewed these amendments and based on its evaluation, has determined that they do not have any impact on the Company's financial statements. However, pursuant to the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company has provided the required disclosures relating to liabilities under supplier finance arrangements in the notes to the financial statements.

**New standards or amendments not yet adopted**

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - The amendments clarify that lender waivers obtained after the reporting date cannot be considered for the purpose of classifying liabilities as current or non current and require retrospective application in accordance with Ind AS 8. These amendments are effective for reporting periods beginning on or after April 1, 2026. The Company does not expect any material impact on its financial statements.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

**NOTE NO. : 3**

**(a) Property, Plant and Equipment :**

( Rupees in Lakhs)

| Particulars | Right to Use - Land | Land-Free Hold | Factory Building | Other Building | Plant and Equipments | Furniture and Fixtures | Office Equipments | EDP Equipments | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount As at 01-04-2025** | **91.65** | **40.79** | **130.66** | **436.68** | **11,298.71** | **38.92** | **63.94** | **181.80** | **272.78** | **12,555.93** |
| Additions | - | - | - | - | 239.02 | - | 2.90 | 1.146 | - | **243.07** |
| Disposals | - | - | - | - | - | - | - | - | (31.78) | **(31.78)** |
| **Gross Carrying Amount As at 31-03-2026** | **91.65** | **40.79** | **130.66** | **436.68** | **11,537.73** | **38.92** | **66.84** | **182.95** | **241.00** | **12,767.22** |
| **Accumulated Depreciation As at 01-04-2025** | **12.97** | **-** | **86.19** | **81.37** | **6,320.83** | **29.57** | **48.06** | **147.92** | **89.72** | **6,816.63** |
| Depreciation charge for the year | 1.44 | - | 1.66 | 9.04 | 738.06 | 0.08 | 2.77 | 9.94 | 34.99 | **797.99** |
| On Disposals | - | - | - | - | - | - | - | | (30.14) | **(30.14)** |
| **Closing Accumulated Depreciation As at 31-03-2026** | **14.41** | **-** | **87.85** | **90.41** | **7,058.89** | **29.65** | **50.83** | **157.86** | **94.56** | **7,584.47** |
| **Net Carrying Amount:** | | | | | | | | | | |
| **As at 31-03-2026** | **77.24** | **40.79** | **42.81** | **346.27** | **4,478.84** | **9.27** | **16.01** | **25.09** | **146.44** | **5,182.75** |
| **As at 31-03-2025** | **78.68** | **40.79** | **44.47** | **355.31** | **4,977.86** | **9.35** | **15.87** | **33.88** | **183.06** | **5,739.25** |

( Rupees in Lakhs)

| Particulars | Right to Use - Land | Land-Free Hold | Factory Building | Other Building | Plant and Equipments | Furniture and Fixtures | Office Equipments | EDP Equipments | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Gross Carrying Amount As at 01-04-2024** | **91.65** | **40.79** | **127.32** | **436.68** | **11,275.05** | **38.92** | **62.72** | **178.04** | **272.78** | **12,523.94** |
| Additions | - | - | 3.34 | - | 23.66 | - | 2.39 | 3.76 | | **33.15** |
| Disposals | - | - | - | - | | - | (1.17) | - | | **(1.17)** |
| **Transfer to asset held for disposal** | | **-** | | | | | | | | **-** |
| **Gross Carrying Amount As at 31-03-2025** | **91.65** | **40.79** | **130.66** | **436.68** | **11,298.71** | **38.92** | **63.94** | **181.80** | **272.78** | **12,555.93** |
| **Accumulated Depreciation As at 01-04-2024** | **11.53** | **-** | **84.43** | **72.33** | **5,583.58** | **27.28** | **45.34** | **133.01** | **54.72** | **6,012.22** |
| Depreciation charge for the year | 1.44 | - | 1.76 | 9.04 | 737.25 | 2.29 | 3.83 | 14.91 | 34.99 | **805.51** |
| On Disposals | - | - | - | - | | - | (1.11) | - | | **(1.11)** |
| **Closing Accumulated Depreciation As at 31-03-2025** | **12.97** | **-** | **86.19** | **81.37** | **6,320.83** | **29.57** | **48.06** | **147.92** | **89.72** | **6,816.63** |
| **Net Carrying Amount:** | | | | | | | | | | |
| **As at 31-03-2025** | **78.68** | **40.79** | **44.47** | **355.31** | **4,977.86** | **9.35** | **15.87** | **33.88** | **183.06** | **5,739.25** |
| **As at 31-03-2024** | **80.12** | **40.79** | **42.87** | **364.34** | **5,691.45** | **11.64** | **17.37** | **45.03** | **218.07** | **6,511.66** |

**(b) Capital work-in-progress**

(₹ in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| Capital Work in Progress - Plant and Machinery | 41.65 | - |

**Ageing of Capital Work-In-Progress**

(₹ in Lakhs)

| Capital Work-In-Progress | Amount in CWIP / Intangible Assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Year | |
| **As at 31st MARCH,2026** | | | | | |
| Projects in progress | 41.65 | - | - | - | 41.65 |
| **As at 31st March, 2025** | | | | | |
| Projects in progress | - | - | - | - | - |

**Notes:**

1. Assets pledged and hypothecated against borrowing:
   (i) Exclusive hypothecation charge on entire property. plant and Equipment including plant and machinery both present and future situated at Plot No.117 GIDC Industrial Estate Kalol, Dist. Panchmahal Gujarat and,
   (II) Exclusive mortgage charge on factory land and building situated at Plot No.117 GIDC Industrial Estate Kalol, Dist. Panchmahal Gujarat having area of 1.23 Lakhs Sqr Mtr."
2. The company has not revalued any of its Property Plant and Equipment during the year
3 There is no project whose completion is overdue or has exceeded its cost compared to its original plan
4. Refer Note No. 30 (ii) For disclosure of contractual commitments for the acquisition of property plant an equipments.
5. There are no future minimum lease payments in respect of the leasehold land. The lease terms expires within period of 99 years and as per the lease agreements
6. Details of tittle deeds of Immovable properties not held in the name of the company- Refer Note No. 40 (a)

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | | As at 31st March, 2026 | | As at 31st March, 2025 |
|---|---|---|---|---|
| **NOTE NO. : 4 : NON CURRENT FINANCIAL ASSETS - INVESTMENTS** | | | | |
| **Investment carried at fair value through profit and loss account.** | | | | |
| **Investments in Equity Instrument (Unquoted)** | | | | |
| Investment in Equity Instruments (Unquoted - Fully Paid) | | | | |
| - Landmark Premises Co.-Op. Services Society Ltd 40 (40) Shares of ₹ 50 Each | | **0.02** | | 0.02 |
| **TOTAL** | | **0.02** | | 0.02 |
| **NOTE NO. : 5 : OTHER FINANCIAL ASSETS UNSECURED, CONSIDERED GOOD** | | | | |
| At amortized cost | | | | |
| Security Deposits | | **1.48** | | 1.48 |
| Deposit With Bank earmarked as Margin Money | | **62.24** | | 58.55 |
| **TOTAL** | | **63.72** | | 60.03 |
| **NOTE NO. : 6 : OTHER NON-CURRENT ASSETS UNSECURED, CONSIDERED GOOD** | | | | |
| Capital Advance | | **29.97** | | - |
| Balance With Government Authorities | | | | |
| Income Taxes (net of provisions) | **-** | | 356.26 | |
| Pre-Deposit - Central Excise | **11.86** | | 11.86 | |
| G.S.T. Deposit (F.Y. 2017-18) | **5.05** | | 5.05 | |
| Sales Tax Receivable | **5.39** | | 5.39 | |
| | | **22.30** | | 378.56 |
| Expense Paid in advance | | **12.94** | | - |
| **TOTAL** | | **65.21** | | 378.56 |
| **NOTE NO. : 7 : INVENTORIES** | | | | |
| (At lower of cost and net realizable value) | | | | |
| Raw Materials | | **1,504.69** | | 1,193.07 |
| Raw Material in Transit | | **256.91** | | 328.91 |
| Production Materials | | **308.66** | | 305.68 |
| Stores & Spares | | **363.49** | | 358.34 |
| Finished goods | | **9,608.87** | | 10,484.50 |
| **TOTAL** | | **12,042.62** | | 12,670.50 |
| Note : The above inventories are hypothecated as securities to the bankers against the fund based and non fund based limits availed or to be availed by the company. | | | | |

(₹ in Lakhs)

| Particulars | | As at 31st March, 2026 | | As at 31st March, 2025 |
|---|---|---|---|---|
| **NOTE NO. : 8 : TRADE RECEIVABLES** | | | | |
| At amortized cost | | | | |
| Trade Receivables considered Good - Secured | | | | |
| Trade Receivables considered Good - Unsecured | | **4,753.87** | | 4,592.22 |
| Trade Receivables which have significant increase in credit risk | | - | | - |
| Trade Receivables credit impaired | | | | |
| Less : Loss allowance | | **(0.40)** | | (0.35) |
| **TOTAL** | | **4,753.47** | | 4,591.87 |
| Note : Trade Receivables are net off bills discounted with the banks | | | | |

**TRADE RECEIVABLES AGEING**

| Particulars | Outstanding for following periods from due date of payment as on 31.03.2026 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 Months | 6 Months - 1 year | 1-2 years | 2-3 years | More than 3 Years | Total |
| **As at 31st March, 2026** | | | | | | |
| (i) Undisputed Trade Receivable - Considered Good | **4,748.65** | **1.53** | **3.69** | **-** | **-** | **4,753.87** |
| (ii) Undisputed Trade Receivable - which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivable - credit impaired | | | | | | |
| (iv) Disputed Trade Receivable - Considered Good | | | | | | |
| (v) Disputed Trade Receivable - which have significant increase in credit risk | **-** | **-** | **-** | **-** | **-** | **-** |
| (vi) Disputed Trade Receivable - credit impaired | | | | | | |
| **Total** | **4,748.65** | **1.53** | **3.69** | **-** | **-** | **4,753.87** |
| The Proportion of expected Credit Loss Provided for Across the Ageing | **-** | **2%** | **10%** | **-** | **-** | **-** |
| Less: Provision for Expected Credit Loss (ECL) | **-** | **0.03** | **0.37** | **-** | **-** | **(0.40)** |
| **Total Trade Receivable - 31.03.2026** | **4,748.65** | **1.50** | **3.32** | **-** | **-** | **4,753.47** |

**TRADE RECEIVABLES AGEING**

| Particulars | Outstanding for following periods from due date of payment as on 31.03.2025 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 Months | 6 Months - 1 year | 1-2 years | 2-3 years | More than 3 Years | Total |
| **As at 31st March, 2025** | | | | | | |
| (i) Undisputed Trade Receivable - Considered Good | **4,584.38** | **5.51** | **0.97** | **1.35** | **-** | **4,592.22** |
| (ii) Undisputed Trade Receivable - which have significant increase in credit risk | | | | | | |
| (iii) Undisputed Trade Receivable - credit impaired | | | | | | |
| (iv) Disputed Trade Receivable - Considered Good | | | | | | |
| (v) Disputed Trade Receivable - which have significant increase in credit risk | - | - | - | - | - | - |
| (vi) Disputed Trade Receivable - credit impaired | | | | | | |
| **Total** | **4,584.38** | **5.51** | **0.97** | **1.35** | **-** | **4,592.22** |
| The Proportion of expected Credit Loss Provided for Across the Ageing | - | **2%** | **5%** | **10%** | - | - |
| Less: Provision for Expected Credit Loss (ECL) | - | 0.11 | 0.05 | 0.14 | - | (0.35) |
| **Total Trade Receivable - 31.03.2025** | **4,584.38** | **5.40** | **0.93** | **1.22** | **-** | **4,592.87** |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **NOTE NO. : 9 : CASH AND CASH EQUIVALENTS** | | |
| **Cash in Hand** | **1.41** | 1.39 |
| **Balances with Banks** | | |
| - In Current Accounts | **27.82** | 30.25 |
| **TOTAL** | **29.23** | 31.64 |
| **NOTE NO. : 10 : BANK BALANCES OTHER THAN ABOVE** | | |
| **At amortized cost** | | |
| **Other bank balances** | | |
| Deposit with Bank earmarked as margin money ( Deposit having original maturity of more than 3 month but less than 12 months) | **42.40** | 40.96 |
| Balances in Unpaid Dividend Account | **4.62** | 2.25 |
| | **47.02** | 43.21 |
| **NOTE NO. : 11 : OTHER FINANCIAL ASSETS** | | |
| Interest accrued on deposits - At amortised Cost | **2.58** | 2.95 |
| Mark to Market Forward Contract - FVTPL | **2.27** | - |
| **TOTAL** | **4.85** | 2.95 |
| **NOTE NO. : 12 : OTHER CURRENT ASSETS** | | |
| **UNSECURED, CONSIDERED GOOD** | | |
| Balance with Government Authorities | **88.77** | 202.57 |
| Advance to Suppliers | **21.95** | 341.05 |
| Advance to Employees | **0.21** | 0.61 |
| Gratuity Fund (Refer Note. 33) | **-** | 33.42 |
| Expenses paid in advance | **99.53** | 82.95 |
| **TOTAL** | **210.46** | 660.59 |
| **NOTE NO. : 13 : EQUITY SHARE CAPITAL** | | |
| **AUTHORISED SHARE CAPITAL** | | |
| 4,00,00,000 (4,00,00,000) Equity Shares of Rs. 10/- each | **4,000.00** | 4,000.00 |
| **ISSUED AND SUBSCRIBED SHARE CAPITAL** | | |
| 1,90,78,329 (1,90,78,329) Equity Shares of Rs. 10/- each fully paid-up | **1,907.83** | 1,907.83 |
| **PAID-UP SHARE CAPITAL** | | |
| 1,90,78,329 (1,90,78,329) Equity Shares of Rs. 10/- each fully paid-up | **1,907.83** | 1,907.83 |
| **TOTAL** | **1,907.83** | 1,907.83 |

**13.1 Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year:**

| Particulars | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | **No. of Shares** | **Amount Rs.** | No. of Shares | Amount Rs. |
| Equity Shares at the beginning of the year | **19,078,329.00** | **1,907.83** | 19,078,329.00 | 1,907.83 |
| Add / (Less): Equity Shares Issued / (Bought Back) during the year | **-** | **-** | - | - |
| Equity Shares at the end of the year | **19,078,329.00** | **1,907.83** | 19,078,329.00 | 1,907.83 |

**13.2 Terms / rights attached to Equity Shares**

The Company has only one class of Equity shares having a par value of ₹ 10 each (March 31, 2025 ₹10 each) per Equity share and holder of the Equity share is entitled to one vote per share.In the event of liquidation of the Company, the holders of the Equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of Equity shares held.

**13.3 Aggregate No of Share Issued for consideration other than cash and Share bought back during the period of five years immediately preceding the year end.**

1) Share allotted as fully paid pursuant to contract(s) without payment being received in cash: Nil
2) Share issued in aggregate No. and class of shares allotted by way of bonus shares: Nil
3) Share bought back: Nil

**13.4 Details of Share held by Holding Company**

| Name | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | **No. of Shares** | **% of total shares** | No. of Shares | % of total shares |
| Honeyvick Enterprises Private Limited | **10,561,005** | **55.36** | 10,561,005 | 55.36 |
| **TOTAL** | **10,561,005** | **55.36** | 10,561,005 | 55.36 |

**13.5 Share in the Company held by each shareholder holding more than 5% of Equity shares**

| Name | As at 31.03.2026 | | As at 31.03.2025 | |
|---|---|---|---|---|
| | **No. of Shares** | **% of total shares** | **No. of Shares** | **% of total shares** |
| Mr. Ashok Malhotra | 2,895,804 | 15.18 | 2,895,804 | 15.18 |
| Honeyvick Enterprises Pvt.Ltd | 10,561,005 | 55.36 | 10,561,005 | 55.36 |
| Dimple Kamlesh Kanungo | 1,681,696 | 8.81 | 1,643,695 | 8.62 |

**13.6 Details of Shareholding of Promoters**

| Shares held by promoters at the end of year March, 2026 | No. of Shares | % held | % Change during the year |
|---|---|---|---|
| Honeyvick Enterprises Pvt.Ltd | 10,561,005 | 55.36 | - |
| Mr. Ashok Malhotra | 2,895,804 | 15.18 | - |
| Mr. Hanish Malhotra | - | - | (0.57) |
| Mr. Ashok Ramlubhaya Malhotra HUF | 256,000 | 1.34 | - |
| Mr. Vikas Malhotra | 168,220 | 0.88 | - |
| Mrs. Tejas Malhotra | 100,000 | 0.52 | - |
| Mr. Shaan Malhotra | 100,000 | 0.52 | - |

| Shares held by promoters at the end of year March, 2025 | No. of Shares | % held | % Change during the year |
|---|---|---|---|
| Honeyvick Enterprises Pvt.Ltd | 10,561,005 | 55.36 | 0.24 |
| Mr. Ashok Malhotra | 2,895,804 | 15.18 | - |
| Mr. Hanish Malhotra | 108,627 | 0.57 | (1.81) |
| Mr. Ashok Ramlubhaya Malhotra HUF | 256,000 | 1.34 | - |
| Mr.Vikas Malhotra | 168,220 | 0.88 | 0.84 |
| Mrs. Tejas Malhotra | 100,000 | 0.52 | 0.52 |
| Mr. Shaan Malhotra | 100,000 | 0.52 | 0.52 |

(₹ in Lakhs)

| Particulars | | As at 31st March, 2026 | | As at 31st March, 2025 |
|---|---|---|---|---|
| **NOTE NO. : 14 : OTHER EQUITY** | | | | |
| **RESERVES AND SURPLUS** | | | | |
| **Capital Reserve** | | **175.71** | | 175.71 |
| **Securities Premium** | | **7,712.71** | | 7,712.71 |
| **General Reserve** | | **300.00** | | 300.00 |
| **Retained Earnings** | | | | |
| Opening Balance | **5,933.51** | | 5,592.63 | |
| Add : Net Profit for the year | **(226.34)** | | 332.53 | |
| Add : Remeasurement of the net defined benefit liability/asset | **(161.58)** | | 8.34 | |
| Less : | | | | |
| Dividends paid for the year ended 31st,March 2025 | **572.35** | | | |
| **Closing Balance** | | **4,973.24** | | 5,933.51 |
| **TOTAL** | | **13,161.66** | | 14,121.93 |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

**Description of Reserve**

**Capital Reserve**

Capital Reserve includes Debenture Redemption Reserve, forfeited Amount on Equity Share and Other Reserves.

**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve**

The General Reserve represents appropriation of retained earnings and are available for distribution to share holder

**Retained Earning**

Retained Earning Represents surplus/accumulated earnings of the company and are available for distribution to shareholders.

(₹ in Lakhs)

| Particulars | | As at 31st March, 2026 | | As at 31st March, 2025 |
|---|---|---|---|---|
| **NOTE NO. : 15 : PROVISIONS** | | | | |
| **Provision for employee benefits** | | | | |
| Provision for Compensated absences( Refer Note. 33B) | | **104.92** | | 86.19 |
| Provision for Gratuity (Refer Note. 33A) | | **72.86** | | |
| **TOTAL** | | **177.78** | | 86.19 |
| **NOTE NO. : 16 : DEFERRED TAX LIABILITIES (NET)** | | | | |
| **Deferred Tax - Assets on account of :** | | | | |
| Provision for Expected Credit Loss | **0.10** | | 0.09 | |
| Disallowances under section 43B of the Income Tax, Act 1961 | **39.08** | | 45.52 | |
| Remeasurement benefit of the defined benefit plans through OCI | **53.95** | | (0.40) | |
| | | **93.12** | | 45.21 |
| **Less : Deferred Tax - Liabilities on account of:** | | | | |
| Related to property, plant and equipment | | **608.84** | | 695.47 |
| **TOTAL** | | **515.72** | | 650.26 |
| **NOTE NO. : 17 : BORROWINGS** | | | | |
| **At amortized cost** | | | | |
| **Secured** | | | | |
| **Loans repayable on demand (Refer below note (i) )** | | | | |
| Cash Credit facilities from Banks | **3,522.27** | | 4,966.46 | |
| | | **3,522.27** | | 4,966.46 |
| **TOTAL** | | **3,522.27** | | 4,966.46 |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note:

(i) The Working Capital Advances from State Bank of India are secured as under:

**Primary Security :**

- Exclusive hypothecation charge on entire current assets both present and future the inventories, receivables and other chargeable current assets including goods under transit.

**Collateral Security :**

- Exclusive hypothecation charge on entire fixed assets including plant and machinery both present and future situated at Plot No.117 GIDC Industrial Estate Kalol, Dist. Panchmahal Gujarat and,
- Exclusive mortgage charge on factory land and builidng situated at Plot No.117 GIDC Industrial Estate Kalol, Dist. Panchmahal Gujarat having area of 1.23 Lakhs Sqr Mtr.
- Exclusing charge by way of Pledge of Equity share (8,15,180 Equity Share) held by Chairman and Managing Director (CMD) and is further secured by personal guarantee of CMD.
- The bank charged rate of interest 6 month MCLR + 1.20%. (also refer note no : 40 (d) (ii) )

(₹ in Lakhs)

| Particulars | | As at 31st March, 2026 | | As at 31st March, 2025 |
|---|---|---|---|---|
| **NOTE NO. : 18 : TRADE PAYABLES** | | | | |
| At amortized cost | | | | |
| For supply/services | | | | |
| a) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note. 31) | **229.22** | | 122.18 | |
| b) Total Outstanding Dues of creditors Other than Micro Enterprise and Small Enterprises * | **2,006.55** | | 1,822.84 | |
| | | **2,235.77** | | 1,945.02 |
| **TOTAL** | | **2,235.77** | | 1,945.02 |
| * includes Bills payable of Rs. 420.47 Lakhs (P.Y. Rs. 152.09 Lakhs) | | | | |

| Capital Work-In-Progress | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Year | |
| **As at 31st March, 2026** | | | | | |
| MSME | 229.22 | - | - | - | 229.22 |
| Others | 2,004.59 | 0.19 | 1.04 | 0.72 | 2,006.55 |
| Disputed Dues - MSME | - | - | - | - | - |
| Disputed Dues - Others | - | - | - | - | - |
| **As at 31st March 2025** | | | | | |
| MSME | 122.18 | - | - | - | 122.18 |
| Others | 1,821.08 | 1.04 | 0.26 | 0.46 | 1,822.84 |
| Disputed Dues - MSME | | | | | - |
| Disputed Dues - Others | | | | | - |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|
| **NOTE NO. : 19 : OTHER FINANCIAL LIABILITIES** | | |
| **At amortized cost** | | |
| Interest accrued | **0.62** | - |
| Payable for Capital Goods | **-** | 0.39 |
| Payable for expenses | **80.18** | 71.26 |
| Unpaid Dividends | **4.62** | 2.25 |
| Salary and wages Payable | **196.03** | 147.97 |
| **TOTAL** | **281.45** | 221.87 |
| **NOTE NO. : 20 : OTHER CURRENT LIABILITIES** | | |
| Advances received from Customers | **236.87** | 151.36 |
| Statutory Liabilities | **130.60** | 46.98 |
| **TOTAL** | **367.47** | 198.34 |
| **NOTE NO. : 21 : CURRENT PROVISIONS** | | |
| **Provision for Employee Benefits** | | |
| Provision for Compensated absences (Refer Note. 33B) | **21.38** | 14.36 |
| Provision for Gratuity (Refer Note. 33A) | **107.56** | - |
| Provision for Bonus | **64.45** | 66.37 |
| **TOTAL** | **193.39** | 80.73 |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | | For the year ended 31st March,2026 | | For the year ended 31st March,2025 |
|---|---|---|---|---|
| **NOTE NO. : 22 : REVENUE FROM OPERATIONS** | | | | |
| **Sale of Manufactured Goods** | | | | |
| a) Domestic Sales | **32,594.03** | | 30,605.30 | |
| b) Export Sales | **5,637.04** | | 7,590.84 | |
| | | **38,231.07** | | 38,196.14 |
| For disaggregated information on sale of goods required as per Ind AS 115- "Revenue from contract with customers" refer note no : 36 | | | | |
| **Sale of Services** | | | | |
| Income from Jobwork | | **110.40** | | 4.80 |
| **Other Operating Revenue** | | | | |
| Export Incentives | | **82.65** | | 109.17 |
| **TOTAL** | | **38,424.12** | | 38,310.11 |
| **NOTE NO. : 23 : OTHER INCOME** | | | | |
| Interest Income - At amortized cost | | **16.36** | | 14.94 |
| Profit on sale of Property, Plant & Equipment(net) | | **1.80** | | 0.04 |
| Gain on foreign currency transactions/translations(Net) | | **216.45** | | 214.82 |
| Miscellaneous Income | | **63.64** | | 41.48 |
| **TOTAL** | | **298.25** | | 271.29 |
| **NOTE NO. : 24 : COST OF MATERIALS CONSUMED** | | | | |
| a) Raw Materials consumed | | | | |
| Opening Stock of Raw Materials | **1,521.98** | | 2,908.41 | |
| Add : Purchases | **26,635.28** | | 27,262.63 | |
| Less : Closing Stock of Raw Materials | **1,761.60** | | 1,521.98 | |
| | | **26,395.66** | | 28,649.06 |
| **TOTAL** | | **26,395.66** | | 28,649.06 |
| **NOTE NO. : 25 : CHANGE IN INVENTORY OF FINISHED GOODS** | | | | |
| Opening Stock | | **10,484.50** | | 8,334.72 |
| Less : Closing Stock | | **9,608.87** | | 10,484.50 |
| **TOTAL** | | **875.63** | | (2,149.78) |
| **NOTE NO. : 26 : EMPLOYEE BENEFITS EXPENSES** | | | | |
| Director Remuneration | | **157.62** | | 159.53 |
| Salaries, Wages and Bonus | | **1,935.62** | | 1,752.59 |
| Contribution/Provisions for Provident and other Funds | | **263.12** | | 252.24 |
| Staff welfare expense | | **73.18** | | 62.76 |
| **TOTAL** | | **2,429.54** | | 2,227.12 |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lakhs)

| Particulars | | For the year ended 31st March,2026 | | For the year ended 31st March,2025 |
|---|---|---|---|---|
| **NOTE NO. : 27 : FINANCE COSTS** | | | | |
| Interest on borrowings measured at amortized cost | **445.97** | | 428.19 | |
| Other Interest | **7.97** | | 25.53 | |
| Bank charges | **87.35** | | 107.17 | |
| **TOTAL** | | **541.29** | | 560.89 |
| **NOTE NO. : 28 : OTHER EXPENSES** | | | | |
| **I. Manufacturing Expenses** | | | | |
| Consumption of Prod. Materials, Gen. Stores & Spares | | **2,383.78** | | 2,316.10 |
| Power and Fuel | | **4,387.70** | | 4,618.76 |
| Repairs and Maintenance: | | | | |
| Buildings | | **2.27** | | 0.75 |
| Plant & Machineries | | **127.76** | | 123.60 |
| Other Manufacturing Expenses | | **102.23** | | 117.44 |
| **TOTAL ( I )** | | **7,003.74** | | 7,176.65 |
| **II. Administrative and General Expenses** | | | | |
| Travelling, Conveyance & Vehicle Expenses | | **48.14** | | 60.07 |
| Printing and Stationery | | **3.87** | | 3.76 |
| Communication Cost | | **5.26** | | 7.44 |
| **Auditor's Remuneration** | | | | |
| a) As Auditor | **9.00** | | 9.00 | |
| b) For Certification Fees | **0.08** | **9.08** | 0.60 | 9.60 |
| Repairs and Maintenance to Other Assets | | **64.91** | | 59.53 |
| Legal and Professional charges | | **69.00** | | 54.02 |
| Directors Sitting Fees | | **4.00** | | 4.50 |
| Insurance expenses | | **40.26** | | 33.33 |
| Rates and Taxes | | **59.71** | | 54.47 |
| Expected credit loss (refer note 38(A) (i) ) | | **0.05** | | - |
| Miscellaneous Expenses | | **29.32** | | 33.19 |
| **TOTAL ( II )** | | **333.60** | | 319.91 |
| **III. Selling Expenses** | | | | |
| Carriage Outward | | **245.01** | | 438.00 |
| Commission on Sales | | **8.47** | | 25.16 |
| Marine and ECGC Insurance | | **1.11** | | 1.59 |
| Other Selling Expenses | | **16.71** | | 71.58 |
| **TOTAL ( III )** | | **271.30** | | 536.33 |
| **TOTAL ( I + II + III )** | | **7,608.64** | | 8,032.90 |

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

**29 29A: Tax Reconciliation**

(Rs. in Lakhs)

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| (a) Income tax expense | | |
| *(i) Current tax* | | |
| Current tax on profits for the year | **101.01** | 198.76 |
| Tax Credit Reversal | **279.15** | 6.49 |
| | **380.17** | 205.25 |
| *(ii) Deferred tax* | **(80.20)** | (82.07) |
| | **(80.20)** | (82.07) |
| Total Income tax expenses (i + ii) | **299.97** | 123.17 |
| **(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate** | | |
| profit multiplied by India's tax rate | | |
| Profit before income tax expense | **73.62** | 455.71 |
| **Tax at the Indian tax rate of 25.17% (2024 - 2025 – 25.17%)** | **18.53** | 114.70 |
| Non deductible expenses(such as MSME Interest and other disallowances) | **2.28** | 1.98 |
| Tax Credit Reversal | **279.15** | 6.49 |
| **Income Tax Expense** | **299.97** | 123.17 |

**Note 29B : The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:**

| As at 31st March, 2026 | Balance Sheet 01.04.2025 | Profit & Loss 2025-26 | OCI 2025-26 | Balance Sheet 31.03.2026 |
|---|---|---|---|---|
| On account of property, Plant and Equipments | **(695.47)** | **86.63** | **-** | **(608.84)** |
| Provision for expense allowed for tax purpose on payment basis | **45.52** | **(6.44)** | **-** | **39.08** |
| On account of provision of Expected Credit losses | **0.09** | **0.01** | **-** | **0.10** |
| Remeasurement benefit of the defined benefit plans through OCI | **(0.39)** | **-** | **54.34** | **53.95** |
| **Net Deferred tax Asset/(Liabilities)** | **(650.26)** | **80.20** | **54.34** | **(515.72)** |

| As at 31st March, 2025 | Balance Sheet 01.04.2024 | Profit & Loss 2024-25 | OCI 2024-25 | Balance Sheet 31.03.2025 |
|---|---|---|---|---|
| On account of property,Plant and Equipments | (772.37) | 76.90 | - | (695.47) |
| Provision for expense allowed for tax purpose on payment basis | 40.35 | 5.17 | - | 45.52 |
| On account of provision of Expected Credit losses | 0.09 | (0.00) | - | 0.09 |
| Remeasurement benefit of the defined benefit plans through OCI | 2.41 | - | (2.80) | (0.39) |
| **Net Deferred tax Asset/(Liabilities)** | (729.53) | 82.07 | (2.80) | (650.26) |

## 30 Contingent Liabilities

| Sr. No. | Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| (i) | **Contingent liabilities** | | |
| | a) Liabilities Disputed | | |
| | - Income Tax | - | 1481.81 |
| | - Disputed Excise, Custom & Service Tax Liabilities* | **145.27** | 145.27 |
| | - Disputed GST Liabilities | **105.70** | 105.70 |
| | c) Bank Guarantees | **438.86** | 438.86 |
| | **Total** | **689.83** | **2,171.65** |
| (ii) | **Estimated amount of contracts remaining to be executed on capital account net off advances** | **341.77** | - |

*Note : The Commissioner, Central GST & Central Excise, Vadodara-II Commissionerate has preferred 2 (two) Tax Appeals for aggregate claim amount of Rs.1473.96 Lakhs (including Penalty) against the Hon'ble CESTAT Order dtd. 08.12.2023 passed in favour of the Company and both these appeals are pending for admission before the Hon'ble High Court of Gujarat at Ahmedabad. Based on the judgements in similar cases and in line with CESTAT order, the Company believes of favourable outcome in the aforesaid matter.

## 31 Disclosure related to Micro, Small and Medium Enterprises:

On the basis of confirmation obtained from the supplier who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

| Sr. No. | Particulars | As at 31st March, 2026 | As at 31st March, 2025 |
|---|---|---|---|
| (a) | The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | | |
| | i) Principle Amount | **229.22** | 122.18 |
| | ii) Interest Due thereon | - | - |
| (b) | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | **659.37** | 114.32 |
| (c) | The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - |
| (d) | The amount of interest accrued and remaining unpaid at the end of each accounting year; and | **12.90** | 10.49 |
| (e) | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

## 32 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

**i. Profit attributable to Equity holders of Company**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Profit attributable to equity holders of the Company for basic and diluted earnings per share | **(226.34)** | 332.53 |

**ii. Weighted average number of ordinary shares**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Issued ordinary shares (in Nos) | **19,078,329** | 19,078,329 |
| Weighted average number of shares at 31st March for basic and diluted earnings per share | **19,078,329** | 19,078,329 |
| Basic earnings per share | **(1.19)** | 1.74 |

## 33 Disclosure as required under Ind AS 19 - Employee Benefits

**[A] Defined benefit plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.The scheme is funded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

**Risks associated with defined benefit plan**

Interest rate risk: A fall in the discount rate which is linked to the Government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan has a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**Characteristics of defined benefit plans**

During the year, there were no plan amendments, curtailments and settlements.

The Company makes annual contributions to Panchmahal Steel Limited Employees' Gratuity Fund managed by LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment to vested employees as under:

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March, 2026

**Defined benefit plans**

| a) Reconciliation in present value of obligations (PVO) - Defined Benefit Obligation: | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Present value of Benefit Obligations at the beginning of the period | **925.71** | 869.51 |
| Current Service Cost | **65.20** | 64.61 |
| Interest Cost | **63.23** | 62.78 |
| Actuarial (Gains)/Losses on obligations- Due to Change in Financial Assumption | **(38.59)** | 22.09 |
| Actuarial (Gains)/Losses on obligations- Due to Experience | **258.75** | (29.96) |
| Benefits Paid | **(137.50)** | (63.31) |
| Accrued Payment | | |
| **Present value of Benefit Obligations at the end of the period** | **1136.80** | 925.71 |

| b) Change in fair value of plan assets: | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Fair value of Plan assets at the beginning of the year | **959.13** | 894.58 |
| Interest Income | **65.51** | 64.59 |
| Return on plan assets, Excluding Interest Income | **4.25** | 3.27 |
| Contributions by Employer | **65.00** | 60.00 |
| Benefits paid | **(137.50)** | (63.31) |
| **Fair value of Plan assets at the end of the year** | **956.39** | 959.13 |

| c) Reconciliation of PVO and fair value of plan assets: | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Present value of Benefit Obligations at the end of the period | **1136.80** | 925.71 |
| Fair value of Plan assets at the end of the year | **956.39** | 959.13 |
| **Net (Asset) / Liability recognised in Balance sheet** | **180.42** | (33.42) |

| d) Net Interest Cost for Current Period | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Present Value of Benefit Obligation at the Beginning of the Period | **925.71** | 869.51 |
| (Fair Value of Plan Assets at the Beginning of the Period) | **959.13** | 894.58 |
| Net Liability/ ( Asset) at the Beginning | **(33.42)** | (25.07) |
| Interest cost | **63.23** | 62.78 |
| (Interest Income ) | **(65.51)** | (64.59) |
| **Net Interest Cost for Current Period** | **(2.28)** | (1.81) |

| e) Net Expenses recognised in the statement of Profit and Loss accounts | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Current Service Cost | **65.20** | 64.61 |
| Net Interest Cost | **(2.28)** | (1.81) |
| **Total** | **62.92** | 62.80 |

| f) Expense recognised in Other comprehensive Income for Current Period | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Actuarial ( Gains) Losses on Obligation for the Period | **220.16** | (7.87) |
| Return on Plan Assets, Excluding Interest Income | **(4.25)** | (3.27) |
| **Net ( Income)/ Expense For the Period Recognized in OCI** | **215.92** | (11.14) |

| g) Balance Sheet Reconciliation | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Opening Net Liability | **(33.42)** | (25.08) |
| Expense Recognized in Statement of Profit Or Loss | **62.92** | 62.80 |
| Expense Recognized in OCI | **215.92** | (11.14) |
| (Employer's Contribution ) | **(65.00)** | (60.00) |
| **Net Liability ( Assets) Recognized in the Balance Sheet** | **180.41** | (33.42) |

| h) Category of Assets | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Insurance Fund | **956.39** | 959.13 |
| Total | **956.39** | 959.13 |

| i) Other Details | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| No of Active Members | **494** | 517 |
| Per Month Salary for Active Members | **107.56** | 86.68 |
| Weighted Average Duration of the Projected Benefit Obligation | **7** | 8 |
| Average Expected Future Service | **13** | 13 |
| Projected Benefit Obligation | **1136.80** | 925.71 |
| Prescribed Contribution for Next Year (12 Months) | **107.56** | 31.78 |

| j) Net Interest Cost for Next Year | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Present Value of Benefit Obligation at the End of the Period | **1136.80** | 925.71 |
| ( Fair Value of Plan Assets at the End of the Period ) | **(956.39)** | (959.13) |
| Net Liability/(Asset ) at the End of the Period | **180.42** | (33.42) |
| Interest Cost | **83.33** | 63.23 |
| ( Interest Income ) | **(69.98)** | (65.51) |
| **Net Interest Cost for Next Year** | **13.35** | **(2.28)** |

| k) Expenses Recognized in the statement of Profit or Loss for Next Year | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Current Service Cost | **79.62** | 65.20 |
| Net Interest | **13.35** | (2.28) |
| **Expenses Recognized** | **92.97** | 62.92 |

| l) Major category of assets as at: | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Insurer Managed funds | **956.39** | 959.13 |

| m) Assumptions used in the accounting for the gratuity plan: | Gratuity Funded as on | |
|---|---|---|
| | **31st March, 2026** | 31st March, 2025 |
| Expected return on plan assets (%) | **7.40%** | 6.83% |
| Rate of Discounting | **7.40%** | 6.83% |
| Rate of Salary Increase | **5.00%** | 5.00% |
| Rate of Employee Turnover | **2.00%** | 2.00% |
| Mortality Rate During Employment | | |
| | **Indian Assured Lives Mortality 2012-14** | Indian Assured Lives Mortality 2012-14 |

**Note 1** : Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

**Note 2** : The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**Note 3** : 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

| **Maturity Analysis of the Benefit Payments : From the Fund** | **31st March, 2026** | 31st March, 2025 |
|---|---|---|
| 1st Following Year | **184.62** | 116.78 |
| 2nd Following Year | **133.22** | 74.39 |
| 3rd Following Year | **129.19** | 124.01 |
| 4th Following Year | **116.77** | 96.14 |
| 5th Following Year | **116.53** | 85.45 |
| Sum of Years 6 to 10 | **415.54** | 375.21 |
| Sum of Years 11 and above | **922.00** | 735.39 |

| **Sensitivity Analysis** | **Gratuity Funded as on 31st March, 2026** | Gratuity Funded as on 31st March, 2025 |
|---|---|---|
| Projected Benefit Obligation on Current Assumptions | **1136.81** | 925.71 |
| +1.00% Change in Rate of Discounting | **(61.22)** | (54.53) |
| -1.00% Change in Rate of Discounting | **69.70** | 62.06 |
| +1.00% Change in Rate of Salary escalation | **70.68** | 62.58 |
| -1.00% Change in Rate of Salary escalation | **(63.09)** | (55.92) |
| +1.00% Change in Rate of Employee Turnover | **10.37** | 6.47 |
| -1.00% Change in Rate of Employee Turnover | **(11.78)** | (7.36) |

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

There was no change in the methods and assumption used in preparing the sensitivity analysis from prior years.

| Particulars | 31st March, 2026 | 31st March, 2025 |
|---|---|---|
| Total employee benefit liabilities | | |
| Non-current | **72.86** | - |
| Current | **107.56** | (33.42) |

**[B] Other long term Benefit:**

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to, policy of maximum leave accumulation of company. The scheme is not funded.

**Changes in the value of the obligation in respect of leave encashment**

| Particulars | 31st March, 2026 | 31st March, 2025 |
|---|---|---|
| Obligation at the year beginning | **100.55** | 95.87 |
| (gains) / losses on obligation | **25.75** | 4.68 |
| Obligation at the year end | **126.30** | 100.55 |

| Particulars | 31st March, 2026 | 31st March, 2025 |
|---|---|---|
| Total employee benefit liabilities | | |
| Non-current | **104.92** | 86.19 |
| Current | **21.38** | 14.36 |

**(C) Defined Contribution plans:**

Amounts recognized as expense for the period towards contribution to the following funds:

| Particulars | 31st March, 2026 | 31st March, 2025 |
|---|---|---|
| Employers contribution to: | | |
| - Provident Fund | **94.90** | 83.76 |
| - Employee State Insurance Fund | **24.71** | 23.75 |
| - Pension Fund | **66.73** | 67.84 |
| - Superannuation Fund | - | 0.81 |
| **Total Compensation** | **186.33** | **176.15** |

Note: The Government of India has consolidated 29 labour laws into four comprehensive Labour Codes covering wages, social security, industrial relations, and occupational safety. These Codes became effective from 21st November, 2025. The Company has assessed the impact of the New Labour Codes and concluded that there is no material financial impact on its financial statements.The required provison has already been recognized in the financial statements for the year ended March 31, 2026.

## 34 Related Party Disclosures

### a) Name of the related party and nature of relationship: -

| Sr. No. | Particulars | Relationship |
|---|---|---|
| I | **Holding Company** | |
| | Honeyvick Enterprises Private Limited | Holding Company of Panchmahal Steel Ltd |
| II | **Key Managerial Personnel:** | |
| | Mr. Ashok R. Malhotra | Managing Director |
| | Mr. Nilesh S. Shah (Upto 05.03.2026) | Chief Financial Officer |
| | Mr. Deepak R. Nagar | AVP (Legal) & Company Secretary |
| III | **Directors** | |
| | Mr. Amal D. Dhru ( Upto 27.09.2024) | Independent Director |
| | Mr. Milan P. Shah( ( Upto 27.09.2024) | Independent Director |
| | Mr. Swapon L. Adhikary (w.e.f.12.08.24) | Independent Director |
| | Mr. Jaswantkumar P. Jain (w.e.f.12.08.24) | Independent Director |
| | Mr. Samir M. Parikh | Independent Director |
| | Ms. Suchita Shah | Non Independent Director |
| | Mr. Kalpesh J. Parmar | Non Independent Director |
| IV | **Directors Relatives** | |
| | Mr.Hanish A. Malhotra (upto 31.05.2024) | Chief Operating Officer |

### b) Key Managerial Personnel Compensation

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Short-term Employee Benefits | 216.32 | 204.00 |
| Post Employment Benefits | 16.97 | 16.63 |
| **Total Compensation** | **233.29** | **220.63** |

### c) Transactions with Related Parties:

During the year, the following transactions were carried out with related parties and relative of Key Managerial Personnel in the ordinary course of the business.

| Sr. No | Key Managerial Personnel and their relatives | Name of Parties | Nature of Transaction | For the year ended 31st March,2026 | For the year ended 31st March,2025 |
|---|---|---|---|---|---|
| 1 | **Key Managerial Personnel** | Mr. Ashok R. Malhotra | Remuneration (Incl.PF) | **170.58** | 172.49 |
| | | Mr.Nilesh S.Shah (Upto 05.03.2026) | Remuneration (Incl.PF) | **36.96** | 26.60 |
| | | Mr. Deepak R. Nagar | Remuneration (Incl.PF) | **25.75** | 21.54 |
| 2 | **Directors Relatives** | Mr.Hanish A.Malhotra (upto 31.05.2024) | Remuneration | **-** | 7.00 |
| 3 | **Other Directors** | Mr. Amal D. Dhru ( Upto 27.09.2024) | Sitting fees | **-** | 0.30 |
| | | Mr. Milan P. Shah ( Upto 27.09.2024) | Sitting fees | **-** | 0.70 |
| | | Mr.Swapon L. Adhikary | Sitting fees | **0.80** | 0.70 |
| | | Mr.Jaswantkumar P.Jain | Sitting fees | **1.00** | 0.50 |
| | | Mr. Samir M. Parikh | Sitting fees | **0.60** | 0.60 |
| | | Ms. Suchita Shah | Sitting fees | **0.50** | 0.90 |
| | | Mr. Kalpesh J. Parmar | Sitting fees | **1.10** | 0.80 |

**d) Outstanding Balances Payable**

| | Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|---|
| 1 | **Key Managerial Personnel -** | | |
| | Mr. Ashok R. Malhotra | **14.08** | 14.08 |
| | Mr. Nilesh S. Shah (Upto 05.03.2026) | **11.17** | 2.20 |
| | Mr. Deepak R. Nagar | **2.49** | 1.78 |

## 35 Operating Segments

The Company is engaged in a single segment of manufacture and sale of Stainless Steel Long Products.

The analysis of geographical information is based on the geographical location of the customers. The geographical information considered for disclosure are as follows:

**Geographical Information**

**Revenue by Geography**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Within India | **32,594.03** | 30,605.30 |
| Outside India | **5,637.04** | 7,590.84 |

**Carrying value of segment assets**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Within India | **22,095.11** | 22,875.48 |
| Outside India | **345.89** | 1,303.15 |

**Property, Plant and Equipment(PPE) by Geographical Locations**

The Company has common PPE for producing goods for domestic as well as overseas market. There are no PPE situated outside India. Hence, additional segment-wise information for PPE / additions to PPE has not been furnished.

**Disclosure related to Revenue from Major Customers**

For the year ended 31st March, 2026 and 2025, there was no customer , revenue from whom constitutes more than 10%. of total revenue.

**36 Disclosure on revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers:**

**(i) Disaggregation of revenue**

(a) Revenue from sale of products are recognised at a point in time. There are no further disaggregation of revenue with respect to this information.

(b) Revenue from sale of products are from domestic & export market. There are no further disaggregation of revenue with respect to this information.

**(ii) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| **Revenue as per Contracted price** | | |
| Sale of Product | **38,231.07** | 38,196.14 |
| Sale of Service | **110.40** | 4.80 |
| **Adjustments** | | |
| Less:- Discounts, rebates and Incentives | **-** | - |
| **Revenue from contract with Customers(excluding other operative Income)** | **38,341.47** | 38,200.94 |

## 37 Fair Value Measurements

### Financial instruments by category

| Particulars | As at 31st March, 2026 | | | As at 31st March, 2025 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortized Cost | FVTPL | FVOCI | Amortized Cost |
| **Financial Assets** | | | | | | |
| Investments | | | | | | |
| - Equity Instruments | **0.02** | **-** | **-** | 0.02 | - | - |
| Deposits | **-** | **-** | **63.72** | - | - | 60.03 |
| Trade Receivables | **-** | **-** | **4,753.47** | - | - | 4,591.87 |
| Cash and Cash Equivalents | **-** | **-** | **29.23** | - | - | 31.64 |
| Bank Balances other than above | **-** | **-** | **47.02** | - | - | 43.21 |
| Other Financial Assets | **2.27** | **-** | **2.58** | - | - | 2.95 |
| **Total Financial Assets** | **2.29** | **-** | **4,896.01** | **0.02** | - | **4,729.71** |
| **Financial Liabilities** | | **-** | | | | |
| Borrowings | **-** | **-** | **3,522.27** | - | - | 4,966.46 |
| Other current financial Liabilities | **-** | **-** | **281.45** | - | - | 221.87 |
| Trade payables | **-** | **-** | **2,235.77** | - | - | 1,945.02 |
| **Total Financial Liabilities** | **-** | **-** | **6,039.48** | - | - | **7,133.35** |

### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial Assets and Liabilities measured at fair value - recurring fair value measurements**

| As at 31st March, 2026 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial Assets at FVTPL** | | | | | |
| Investments | 4 | | - | **0.02** | 0.02 |
| Other Financial Assets | 11 | - | - | **2.27** | 2.27 |
| **Total Financial Assets** | | - | - | **2.29** | 2.29 |
| Financial Liabilities at amortized cost | | | | | |
| Borrowings (Non Current) | | - | - | - | - |
| **Total Financial Liabilities** | | - | - | - | - |

| As at 31st March, 2025 | Notes | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|
| **Financial Assets at FVTPL** | | | | | |
| Investments | 4 | - | - | **0.02** | 0.02 |
| **Total Financial Assets** | | - | - | **0.02** | 0.02 |
| **Financial Liabilities at amortized cost** | | | | | |
| Borrowings (Non Current) | 16 | - | - | - | - |
| **Total Financial Liabilities** | | - | - | - | - |

**Level 1:** Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

**(ii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of the remaining financial instruments is determined using discounted analysis (if any).

**38 Financial Risk Management**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(A) **Credit risk**

Credit risk is the risk of incurring a loss that may arise from a borrower or customer failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

iv) Significant increase in credit risk on other financial instruments of the same counterparty;

v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

**(i) Trade Receivables**

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit Losses (ECL), the Company considers reasonable and relevant information that is available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

**The reconciliation of ECL is as follows:**

| Particulars | As 31st March, 2026 | As 31st March, 2025 |
|---|---|---|
| Balance at the beginning of the year | **0.35** | 0.35 |
| Provision made/(reversed) during the year | **0.05** | - |
| Balance at the end | **0.40** | 0.35 |

**(ii) Cash and Cash Equivalents**

As at the year end, the company held cash and cash equivalents of ₹ 29.23 lakhs (31.03.2025 ₹ 31.64 lakhs). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

**(iii) Other Financials Assets**

Others Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

(B) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Maturities of financial liabilities**

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

| Particulars | Less than 1 year | More than 1 year | Total |
|---|---|---|---|
| **As at 31st March, 2026** | | | |
| **Non-derivatives** | | | |
| Borrowings | **3,522.27** | **-** | **3,522.27** |
| Trade payables | **2,235.77** | **-** | **2,235.77** |
| Other financial liabilities | **281.45** | **-** | **281.45** |
| **Total Non-derivative liabilities** | **6,039.48** | **-** | **6,039.48** |
| **As at 31st March, 2025** | | | |
| **Non-derivatives** | | | |
| Borrowings | 4,966.46 | - | 4,966.46 |
| Trade payables | 1,945.02 | - | 1,945.02 |
| Other financial liabilities | 221.87 | - | 221.87 |
| **Total Non-derivative liabilities** | 7,133.35 | - | 7,133.35 |

(C) **Market risk**

**Currency risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The risk is measured through a forecast of foreign currency for the Company's operations.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Indian Rupee, are as follows:

**(i) Trade receivable and other Receivable**

| Currency | As at 31st March, 2026 | | |
|---|---|---|---|
| | Trade receivable and other Receivable | Hedges available | Net exposure to foreign currency risk |
| USD (in lakhs) | **3.65** | **-** | **3.65** |
| Equivalent INR (in lakhs) | **345.89** | **-** | **345.89** |

| Currency | As at 31st March, 2025 | | |
|---|---|---|---|
| | Trade receivable and other Receivable | Hedges available | Net exposure to foreign currency risk |
| USD (in lakhs) | 15.25 | - | 15.25 |
| Equivalent INR (in lakhs) | 1,303.15 | - | 1,303.15 |

**(ii) Trade payable and other payable**

| Currency | As at 31st March, 2026 | | |
|---|---|---|---|
| | Trade receivable and other Receivable | Hedges available | Net exposure to foreign currency risk |
| USD (in lakhs) | **6.24** | **3.53** | **2.71** |
| Equivalent INR (in lakhs) | **591.38** | **334.89** | **256.49** |

| Currency | As at 31st March, 2025 | | |
|---|---|---|---|
| | Trade receivable and other Receivable | Hedges available | Net exposure to foreign currency risk |
| USD (in lakhs) | 3.85 | - | 3.85 |
| Equivalent INR (in lakhs) - USD | 328.91 | - | 328.91 |

The sensitivity of profit or loss to changes in the exchange rates arises mainly in USD sensitivity from unhedged foreign currency denominated financial instruments.

| Currency | Impact on profit after tax | |
|---|---|---|
| | 31st March, 2026 | 31st March, 2025 |
| USD sensitivity | | |
| INR/USD increases by 5% | **(12.28)** | 48.73 |
| INR/USD decreases by 5% | **12.28** | (48.73) |

## 39 Capital Management

For the purpose of the company's capital management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the shareholders and makes adjustments to it in light of changes in economic conditions or its business requirements. The Company's objectives are to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company funds its operation through long term and short term borrowings from holding company and cash credit and other working capital facilities from the bankers. The management and Board of Directors monitor the return on capital.

## 40 Additional Regulatory Information to be disclosed as per Schedule III of the Companies Act, 2013

**(a) The company holds all the title deeds of immovable property in its name except following properties.**

| SN | Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value as on 31.03.26 | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company** |
|---|---|---|---|---|---|---|---|
| | **PPE** | | | | | | |
| 1 | PLOT NO-42 - Charotar CHSL | Land | 1.68 | Late. Mr. Ramlubhaya Malhotra | Promoter | 20-01-84 | As per bye laws of the society, Corporate can not become member so properties are in the name of promoter/relative of promoter. |
| 2 | PLOT NO-43 - Charotar CHSL | Land | 1.71 | Mr. Ashok R. Malhotra | Promoter | 20-01-84 | |
| 3 | PLOT NO-44 - Charotar CHSL | Land | 3.00 | Mr.Ravi R. Malhotra | Relative of Promoter | 23-10-86 | |
| 4 | Plot Nos. C-1/B-102 | Lease hold Land | 2.21 | M/S Precision Engineering Co. | - | 11-04-07 | Company has executed MOU and agreement to sale with the seller. Company has paid total consideration and taken possession from seller. Sale Deed could not be executed. |

**(b) The company does not have any transactions with companies struck off except following transactions, as per the information available with the company.**

| SN | Name of the Stuck off Companies | Nature of transactions with struck off company | Balance outstanding/Nominal share value | Relationship with the struck off company, if any |
|---|---|---|---|---|
| 1 | Varun Finvest Limited - Status not available | Shares held by stuck off company | 100 Share of Nominal Value Rs.1000 | Equity shareholder of Panchmahal Steel Limited |

**(c) Details of the quarterly returns and statement of current assets filled by the company with Banks:**

| Qtr. | Name of Bank | Details of current assets | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason |
|---|---|---|---|---|---|---|
| Q1 | SBI | Inventory | 13,400.16 | 12,987.95 | 412.21 | Note 1 |
| | | Book Debts | 3,751.78 | 2,666.00 | 1,085.78 | Note 2 |
| | | Trade Payable | 2,752.74 | 2,398.15 | 354.59 | Note 3 |
| Q2 | SBI | Inventory | 12,669.21 | 12,266.70 | 402.51 | Note 1 |
| | | Book Debts | 4,246.75 | 4,236.30 | 10.45 | Note 2 |
| | | Trade Payable | 1,579.42 | 1,239.59 | 339.83 | Note 3 |
| Q3 | SBI | Inventory | 12,253.40 | 11,852.11 | 401.29 | Note 1 |
| | | Book Debts | 5,527.78 | 4,521.61 | 1,006.17 | Note 2 |
| | | Trade Payable | 2,337.95 | 1,973.25 | 364.70 | Note 3 |
| Q4 | SBI | Inventory | 12,042.62 | 11,610.83 | 431.78 | Note 1 |
| | | Book Debts | 4,753.47 | 4,728.57 | 24.90 | Note 2 |
| | | Trade Payable | 2,235.77 | 2,080.82 | 154.95 | Note 3 |

Note 1 General Stores & spares are not included in the stock as the same are not required to be submitted to bank
Note 2 Stock Statement filed with the banks are after adjusting the Vendor Advance payment made.
Note 3 Creditors submitted to the banks are only related to the creditors for goods

**(d ) Others:**

(i) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The quarterly returns and statement of current assets filled by the company with Banks are given in Note 40(c).

(iii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The company have not traded or invested in Crypto currency or Virtual Currency during the period/year.

(v) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(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.

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

(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,

vii) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii) The company is not declared as willful defaulter by any bank or financial Institution or other lender.

ix) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237of the Companies Act, 2013.

## 41 Disclosures related to various Ratios

| Name of Ratio | Formula | F.Y. 2025-26 | | F.Y. 2024-25 | | % of change | Reason for variation if change is more than 25% +/-as compared to previous year |
|---|---|---|---|---|---|---|---|
| Current Ratio (No. of times) | Current Assets | 17,087.65 | 2.56 | 18,000.76 | 2.43 | 5% | NA |
| | Current Liabilities | 6,678.01 | | 7,412.42 | | | |
| Debt Equity Ratio (No. of times) | Short term Debt + Long term Debt | 3,522.27 | 0.23 | 4,966.46 | 0.31 | -25% | Due to lower utilisation of working capital facilities |
| | Share holder's equity | 15,069.49 | | 16,029.76 | | | |
| Debt Service Coverage Ratio (No. of times) | Earnings available for Debt service | 1,214.77 | 2.72 | 1,566.18 | 3.66 | -26% | Due to lower profitability in current year |
| | Debt service | 445.97 | | 428.19 | | | |
| Return on Equity | Net Profit After Tax | (226.34) | -1.46% | 332.53 | 2.10% | -169% | Due to lower profitability in current year & Earlier years Tax impact |
| | Average Share holder's equity | 15,549.62 | | 15,859.32 | | | |
| Inventory Turnover Ratio (No. of times) | Sales | 38,424.12 | 3.11 | 38,310.11 | 3.11 | 0% | NA |
| | Average Inventory | 12,356.56 | | 12,300.42 | | | |
| Trade Receivable turnover Ratio (No. of times) | Net Sales | 38,424.12 | 8.22 | 38,310.11 | 8.81 | -7% | NA |
| | Average Trade receivables | 4,672.67 | | 4,348.94 | | | |
| Trade payable turnover Ratio (No. of times) | Net Purchase / Services | 34,243.91 | 16.38 | 35,295.53 | 16.88 | -3% | NA |
| | Average Trade payables | 2,090.39 | | 2,090.51 | | | |
| Net Capital Turnover Ratio(No. of times) | Net Sales | 38,424.12 | 3.69 | 38,310.11 | 3.60 | 3% | NA |
| | Working Capital | 10,409.64 | | 10,651.95 | | | |
| Net Profit Ratio | Net Profit After Tax | (226.34) | -0.58% | 332.53 | 0.86% | -167.82% | Due to lower profitability in current year & Earlier years Tax impact |
| | Total Sales | 38,722.37 | | 38,581.40 | | | |
| Return on Capital Employed | Earning Before Interest and Tax | 519.59 | 2.72% | 883.90 | 4.08% | 33% | Due to lower profitability in current year & Earlier years Tax impact |
| | Capital Employed | 19,107.47 | | 21,646.47 | | | |
| Return on Investment | Income generated from Invested funds | - | | - | | | NA |
| | Average Invested funds in Treasury Investment | - | | - | | | |

**42 Event after the reporting period**

| Particulars | For the year ended 31st March, 2026 | For the year ended 31st March, 2025 |
|---|---|---|
| Proposed Dividend on Equity Shares: | | |
| Proposed Dividend for the year | - | 572.35 |
| ( current year Rs. NIL Per Share, Previous year Rs.3.00 Per Share ) | - | 572.35 |

**43** These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 25th May, 2026. As of the date of approval of the audited financial statements, the position of Chief Financial Officer (CFO) of the Company is vacant. Consequently, the financial statements have been signed by the Managing Director, other authorized director and by the Company Secretary of the Company in accordance with the provisions of Section 134 of the Companies Act, 2013 and applicable rules. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **CNK Associates LLP**
Chartered Accountants
Firm Registration No.101961W/W-100036

**Pareen Shah**
Partner
Membership No. 125011

Vadodara, 25th May, 2026

For and on behalf of Board of Directors
Panchmahal Steel Limited

**Ashok Malhotra**
Chairman & Managing Director
DIN :00120198

**Kalpesh Parmar**
Director
DIN:00230588

**Deepak Nagar**
AVP (Legal) &
Company Secretary

Vadodara, 25th May, 2026

Panchmahal
Steel Limited

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