

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Sunflag Iron and Steel Company Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Sunflag Iron and Steel Company Limited ('the Company') for the quarter ended December 31, 2025 and year to date from April 1, 2025 to December 31, 2025 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("the Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS-34), "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE 2410) "Review of Interim financial information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in all material respects in accordance with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

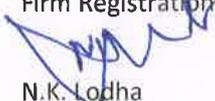


5. **Other Matter**

Limited review of unaudited standalone financial results of quarter and nine months ended December 31, 2024 and audit of year ended March 31, 2025 of Standalone Financial Statements were carried out by preceding auditors who had submitted unmodified Review Reports and Audit Report dated February 13, 2025 and May 27, 2025 respectively.

Our conclusion on the statement is not modified in respect of the above matter.

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


N.K. Lodha
Partner

Membership No. 085155

UDIN: 26085155A90DC04177

Place: New Delhi

Date: February 13, 2026



**SUNFLAG IRON AND STEEL COMPANY LIMITED**

Regd. Office : 33/1, Mount Road, Sadar, Nagpur.

CIN : L27100MH1984PLC034003

Tel No. 0712-2524661/ Fax : 0712-2520360/ e-mail : Investor@sunflagsteel.com / web site : www.sunflagsteel.com

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2025

₹ In lakhs (except otherwise stated)

Sr. No.	PARTICULARS	Quarter ended			Nine Months ended		Year ended
		December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	March 31, 2025
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1.	Income						
	a) Revenue from operations	94,247	97,299	89,200	2,93,869	2,65,248	3,53,559
	b) Other income	213	222	275	1,341	1,381	1,646
	Total Income	94,460	97,521	89,475	2,95,210	2,66,629	3,55,205
2.	Expenses						
	a) Cost of materials consumed	57,558	60,240	55,380	1,75,258	1,60,989	2,22,897
	b) Changes in inventories of finished goods and work-in-process	868	1,300	(1,142)	12,722	4,272	(2,145)
	c) Employees benefits expense	3,705	3,856	3,588	11,302	10,458	13,732
	d) Finance costs	1,721	1,681	2,151	5,456	6,803	8,990
	e) Depreciation and amortisation expense	3,080	2,701	2,605	8,480	7,805	10,445
	f) Other expenses	18,917	21,806	20,306	59,312	60,641	80,143
	Total expenses	85,849	91,584	82,888	2,72,530	2,50,968	3,34,062
3.	Profit / (Loss) before exceptional items and tax	8,611	5,937	6,587	22,680	15,661	21,143
4.	Exceptional Items Gain/ (Loss) (Refer note 5 below)	(870)	-	-	(870)	-	-
5.	Profit/(loss) before tax	7,741	5,937	6,587	21,810	15,661	21,143
6.	Tax Expense						
	a) Current tax	(1,664)	(1,973)	(1,794)	(5,826)	(4,781)	(6,225)
	b) Deferred tax	(167)	593	251	687	1,017	1,257
7.	Net profit/(loss) after tax	5,910	4,557	5,044	16,671	11,897	16,175
8.	Other comprehensive income (OCI)						
	Items that will not be reclassified to profit or loss	57,641	(2,18,360)	1,70,100	20,256	3,77,831	4,10,789
	Income tax relating to items that will not be reclassified to profit or loss	(8,378)	31,790	(24,766)	(2,940)	(61,971)	(66,731)
	Total other comprehensive income/(loss)	49,263	(1,86,570)	1,45,334	17,316	3,15,860	3,44,058
9.	Total comprehensive income/(loss)	55,173	(1,82,013)	1,50,378	33,987	3,27,757	3,60,233
10.	Paid-up equity share capital (face value of ₹ 10/-each)	18,022	18,022	18,022	18,022	18,022	18,022
11.	Other equity excluding revaluation reserve						8,23,181
12.	Earnings per share (EPS) (₹) (face value of ₹ 10/-each)						
	Basic and diluted EPS	3.28	2.53	2.80	9.25	6.60	8.98

Notes :

- The above unaudited standalone financial results for the quarter and nine months ended December 31, 2025 have been reviewed by the Audit Committee and approved by the Board of Directors (Board) of Sunflag Iron and Steel Company Limited ("the Company") at their respective meetings held on February 13, 2026. These results have been subjected to limited review by the statutory auditors who have expressed an unmodified conclusion.
- These results have been prepared in accordance with the recognition and measurement principles of the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The management of the Company has identified that, the Company has only one operating segment i.e. 'Iron & Steel Business' and operations are mainly within India. Hence, it is the only reportable segment under IND AS- 108 'Operating Segments'.
- Other comprehensive income is mainly on account of MTM gain/(loss) on equity shares held by the Company in Lloyds Metal & Energy Limited (LMEL), recognised at its fair value as at December 31, 2025.
- Government of India notified the four Labour Codes on November 21, 2025 consolidating 29 existing labours laws. The Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulation. The Company has assessed its implication through actuarial valuation, which has resulted in increase in gratuity and leave liability by ₹ 870 Lakhs. Considering the impact arising out of an enactment of the new legislation, the Company have recognised the same under "Exceptional Items" for the quarter and nine months ended December 31, 2025.
- The figures of previous periods have been re-grouped/re-arranged wherever necessary to make them comparable.

PLACE : Nagpur
DATE : February 13, 2026For and on behalf of the Board of Directors
SUNFLAG IRON AND STEEL COMPANY LIMITED

RAMCHANDRA VASANT DALVI
 DIRECTOR (TECHNICAL)
 [WHOLE TIME DIRECTOR]
 DIN 00012065


Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Sunflag Iron and Steel Company Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Sunflag Iron and Steel Company Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its share of net profit/(loss) after tax and total comprehensive income / (loss) of its joint ventures for the quarter ended December 31, 2025 and year to date from April 1, 2025 to December 31, 2025 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable

4. The Statement includes the results of below mentioned entities:
 - (a) **Subsidiaries:**
 1. Sunflag Power Limited
 2. Khappa Coal Company Private Limited



(b) Joint Ventures:

1. CT Mining Private Limited
2. Daido DMS India Private Limited
3. Ramesh Sunwire Private Limited
4. Madanpur (North) Coal Block Private Limited
5. ReNew Green (MPR Three) Private Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other matters

(a) The accompanying Statement includes unaudited interim financial results and other unaudited financial information, in respect of:

2 subsidiaries whose unaudited interim financial results include total revenue of Rs. 1 lakhs and Rs. 4 lakhs, total net profit after tax of Rs. 1 lakhs and Rs. 4 lakhs and total comprehensive income (net) of Rs. 1 lakhs and Rs. 4 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 respectively, as considered in the Statement which have been reviewed by their respective independent auditors.

1 joint venture whose unaudited interim financial results include Group's share of net profit after tax of Rs. 8 lakhs and Rs. 43 lakhs and Group's share of total comprehensive income (net) of Rs. 7 lakhs and Rs. 43 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 respectively, as considered in the Statement whose interim financial results and other financial information have been reviewed by independent auditor.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement. in so far as it relates to the amounts and disclosures in respect of these subsidiaries and joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above. All the figures stated above are before giving the effect of consolidation adjustments.

(b) The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:

3 joint ventures whose unaudited interim financial results include Group's share of net profit /(loss) after tax of Rs. 75 lakhs and Rs. 91 lakhs and Group's share of total comprehensive income / (loss) (net) of Rs. 75 lakhs and Rs. 91 lakhs for the quarter ended December 31, 2025 and for the period from April 1, 2025 to December 31, 2025 respectively.



The unaudited interim financial results and other unaudited financial information of these joint ventures have not been reviewed by its independent auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of the joint ventures, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group. All the figures stated above are before giving the effect of consolidation adjustments.

7. 1 joint venture i.e. Madanpur (North) Coal Block Private Limited, whose unaudited interim financial results and other unaudited financial information is not available and therefore same has not been consolidated. The investment made in the above joint venture is fully impaired and these financial information is not material to the Group.
8. Limited review of unaudited consolidated financial results of quarter and nine months ended December 31, 2024 and audit of year ended 31st March 2025 of Consolidated Financial Statements were carried out by preceding auditors who had submitted unmodified Review Reports and Audit Report dated February 13, 2025 and May 27, 2025 respectively.

Our conclusion in respect of matters stated under para 6, 7 and 8 above have not been modified.

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

N.K. Lodha
Partner
Membership No. 085155
UDIN: 26085155RYWEBS7169
Place: New Delhi
Date: February 13, 2026





SUNFLAG IRON AND STEEL COMPANY LIMITED

Regd. Office : 33/1, Mount Road, Sadar, Nagpur.

CIN : L27100MH1984PLC034003

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON DECEMBER 31, 2025

₹ In lakhs (except otherwise stated)

Sr. No.	PARTICULARS	Quarter ended			Nine Months ended		Year ended
		December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024	March 31, 2025
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1.	Income						
	a) Revenue from operations	94,247	97,299	89,200	2,93,869	2,65,248	3,53,559
	b) Other income	214	224	276	1,345	1,385	1,652
	Total Income	94,461	97,523	89,476	2,95,214	2,66,633	3,55,211
2.	Expenses						
	a) Cost of materials consumed	57,558	60,240	55,380	1,75,258	1,60,989	2,22,897
	b) Changes in inventories of finished goods and work-in-process	868	1,300	(1,142)	12,722	4,272	(2,145)
	c) Employees benefits expense	3,705	3,856	3,588	11,302	10,458	13,732
	d) Finance costs	1,721	1,681	2,151	5,456	6,803	8,990
	e) Depreciation and amortisation expense	3,080	2,701	2,605	8,480	7,805	10,445
	f) Other expenses	18,917	21,806	20,306	59,312	60,641	80,144
	Total expenses	85,849	91,584	82,888	2,72,530	2,50,968	3,34,063
3.	Profit/(Loss) before share of profits/(loss) of joint ventures, exceptional items and tax	8,612	5,939	6,588	22,684	15,665	21,148
4.	Share of profit/(loss) in joint ventures	83	(5)	(31)	134	(18)	28
5.	Exceptional Items Gain/ (Loss) (Refer note 5 below)	(870)	-	-	(870)	-	-
6.	Profit / (Loss) before tax	7,825	5,934	6,557	21,948	15,647	21,176
7.	Tax expense						
	a) Current tax	(1,664)	(1,973)	(1,794)	(5,826)	(4,781)	(6,225)
	b) Deferred tax	(167)	593	251	687	1,017	1,257
8.	Net profit/(loss) after tax	5,994	4,554	5,014	16,809	11,883	16,208
9.	Net profit/(loss) after tax attributable to						
	a) Owners equity	5,994	4,553	5,014	16,808	11,882	16,206
	b) Non-controlling interest	-	1	-	1	1	2
10.	Other comprehensive income (OCI)						
	Items that will not be reclassified to profit or loss	57,640	(2,18,359)	1,70,100	20,256	3,77,831	4,10,787
	Income tax relating to items that will not be reclassified to profit or loss	(8,378)	31,790	(24,766)	(2,940)	(61,971)	(66,731)
	Total other comprehensive income/(loss)	49,262	(1,86,569)	1,45,334	17,316	3,15,860	3,44,056
11.	Total comprehensive income/(loss)	55,256	(1,82,015)	1,50,348	34,125	3,27,743	3,60,264
12.	Total comprehensive income attributable to						
	a) Owners equity	55,256	(1,82,016)	1,50,348	34,124	3,27,742	3,60,262
	b) Non-controlling interest	-	1	-	1	1	2
13.	Paid-up equity share capital (face value of ₹ 10/-each)	18,022	18,022	18,022	18,022	18,022	18,022
14.	Other equity excluding revaluation reserve						8,24,776
15.	Earnings per share (EPS) (₹) (face value of ₹ 10/-each)						
	Basic and diluted EPS	3.33	2.53	2.78	9.33	6.59	8.99

Notes :

- The above unaudited consolidated financial results for the quarter and nine months ended December 31, 2025 have been reviewed by the Audit Committee and approved by the Board of Directors (Board) of Sunflag Iron and Steel Company Limited ("the Company" or "Holding Company") at their respective meetings held on February 13, 2026. These results have been subjected to limited review by the statutory auditors who have expressed an unmodified conclusion.
- These results have been prepared in accordance with the recognition and measurement principles of the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013, other accounting principles generally accepted in India and are in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The management of the Holding Company has identified that, the Group has only one operating segment i.e. 'Iron & Steel Business' and operations are mainly within India. Hence, it is the only reportable segment under IND AS- 108 'Operating Segments'.
- Other comprehensive income is mainly on account of MTM gain/(loss) on equity shares held by the Company in Lloyds Metal & Energy Limited (LMEL), recognised at its fair value as at December 31, 2025.
- Government of India notified the four Labour Codes on November 21, 2025 consolidating 29 existing labours laws. The Ministry of Labour and Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulation. The Group has assessed its implication through actuarial valuation, which has resulted in increase in gratuity and leave liability by ₹ 870 Lakhs. Considering the impact arising out of an enactment of the new legislation, the Group have recognised the same under "Exceptional Items" for the quarter and nine months ended December 31, 2025.
- The figures of previous periods have been re-grouped/re-arranged wherever necessary to make them comparable.

For and on behalf of the Board of Directors
SUNFLAG IRON AND STEEL COMPANY LIMITED

RAMCHANDRA VASANT DALVI
DIRECTOR (TECHNICAL)
[WHOLE TIME DIRECTOR]
DIN 00012065



PLACE : Nagpur
DATE : February 13, 2026

