

The background of the cover features a black and white photograph of a large steel truss bridge. The bridge's intricate network of steel beams and girders is the central focus. In the background, a multi-story building is visible. A large, light green diagonal shape cuts across the lower-left portion of the image, serving as a backdrop for the title text.

ANNUAL REPORT

2024-25

SAL STEEL LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Rajendrakumar Shah	(DIN: 00020904)	Non-Executive Chairman
Shri Babulal M Singhal	(DIN: 01484213)	Whole Time Director
Shri Mrinal Sinha	(DIN: 09482143)	Whole Time Director (Appointed w.e.f. 12.11.2024)
Smt. Shefali M. Patel	(DIN: 07235872)	Independent Director
Shri Mitesh V. Jariwala	(DIN:09396683)	Independent Director
Shri Bipinbhai A. Gosalia	(DIN: 10521360)	Independent Director
Shri Nipa Jairaj Shah	(DIN:10833814)	Independent Director (Appointed w.e.f. 12.11.2024)

CHIEF FINANCIAL OFFICER

Shri Babulal M. Singhal (DIN: 01484213)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Smt. Radhika P. Soni ICSI M. No.A64410
(Appointed w.e.f.18.03.2025)
Shri Vinay Kumar Mishra, ICSI M. No.: F11464
(Resigned w.e.f. 24.07.2024)

AUDIT COMMITTEE

Shri Mitesh V. Jariwala, Chairman (w.e.f. 28.09.2024)
Shri Bipin A. Gosalia, Member (w.e.f. 28.09.2024)
Smt. Shefali M. Patel, Member

NOMINATION AND REMUNERATION COMMITTEE

Shri Mitesh V. Jariwala, Chairman (w.e.f.28.09.2024)
Shri Bipin A. Gosalia, Member (w.e.f.28.09.2024)
Smt. Shefali M. Patel, Member (w.e.f. 13.05.2024)

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri Mitesh V. Jariwala, Chairman (w.e.f.28.09.2024)
Shri Bipin A. Gosalia, Member
Smt. Shefali M. Patel, Member (w.e.f.13.05.2024)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Mitesh V. Jariwala, Chairman (w.e.f. 19.03.2025) Shri Rajendrakumar Shah, Member
Shri Babulal M. Singhal (w.e.f.13.05.2024)

REGISTERED OFFICE

5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006

ADMINISTRATIVE OFFICE

S.A.L. Steel Limited
Shah Alloys Corporate House, Sola-Kalol Road, Village Santej,
Dist.-Gandhinagar-382 721

PLANT

Survey No. 245, Village Bharapar,
Tal. Gandhidham, Dist.: Kutch, Gujarat

STATUTORY AUDITORS

M/s. Parikh & Majmudar, Chartered Accountants,
303, "B" Wing, GCP Business Center,
Opp. Memnagar Fire Station,
Nr. Vijay Cross Roads, Ahmedabad – 380 009

SECRETARIAL AUDITORS

Kamlesh M. Shah & Co., Practicing Company Secretaries 801-A,
8th Floor, Mahalaya Complex,
Opp. Hotel President, B/h. Fairdeal House, Swastik Cross Roads,
Off C. G. Road, Navrangpura, Ahmedabad 380 009 Gujarat

REGISTRAR AND SHARE TRANSFER AGENTS

Kfin Technologies Limited Selenium Building, Tower-B,
Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana India - 500 032 Whatsapp
no.: (91) 910 009 4099
Toll Free no.: 1800-309-4001
E-mail: einward.ris@karvy.com
Website: www.karvyfintech.com
Investor Support Centre Link:
<https://ris.kfintech.com/clientservices/isc>

BANKERS TO THE COMPANY

Kotak Mahindra Bank
ICICI BANK

CORPORATE IDENTIFICATION NUMBER

CIN: L29199GJ2003PLC043148

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NOTICE

NOTICE is hereby given that the 22ND Annual General Meeting of the members of **S.A.L. STEEL LIMITED** will be held on Friday, September 26, 2025 at 01:00 P.M. IST through Video Conferencing ("VC") /Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and the Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

2. To appoint Shri Babulal M. Singhal (DIN: 01484213) , who retires by rotation as a Director and being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Babulal M. Singhal (DIN: 01484213), who retires by rotation as a Director at this 22nd Annual General Meeting, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation."

SPECIAL BUSINESS:

3. **To appoint Secretarial Auditor of the Company**

To consider and if thought fit, to pass following Resolution as an **ORDINARY RESOLUTION**

"**RESOLVED THAT** pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules 2014 of the Companies Act, 2013 and Regulation 24A of the SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), and other applicable laws/statutory provisions, if any, as amended from time to time, and as recommended by the Audit Committee and the Board of Directors, M/s. Kamlesh M. Shah & Co., Practicing Company Secretary, (CP No. 2072/Membership No.: ACS8356) be and is hereby appointed as Secretarial Auditors of the Company to conduct secretarial audit for a term of 5(Five) consecutive years commencing From FY 2025-26 till FY 2029-30 at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors."

4. **To ratify the remuneration payable to, Cost Auditors of the Company for the financial year ending 31st March, 2025**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ashish Bhavsar & Associates, Cost Accountants (ICAI Registration No.: 22464) appointed by the Board on the recommendation of the Audit Committee of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025 be paid the remuneration of ₹ 75,000/- per annum plus out of pocket expenses, if any, incurred during the course of audit."

5. **Increase in authorised share capital of the company and alteration of capital clause of Memorandum of Association of the Company**

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

"**RESOLVED THAT** pursuant to the provisions of Section 61 and 64 and other applicable provisions of the Companies Act, 2013 (the "**Act**") read with the Companies (Share Capital and Debentures) Rules, 2014, and any other rules made thereunder (including any statutory amendment(s) or modification(s) or variation(s) or re-enactment thereof, for the time being in force) read with enabling provisions of the Articles of Association of the Company, or any other applicable laws for the time being in force and subject to all other necessary approvals, permissions, consents and sanctions, if required, of concerned statutory, regulatory and other appropriate authorities, if any, the consent of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company, from existing ₹1,40,00,00,000 (Rupees One Hundred Forty Crore Only) divided into 14,00,00,000 (Fourteen Crore) equity shares of face value of ₹10 (Rupees Ten Only) each to ₹1,45,00,00,000 (Rupees One Hundred Forty Five Crore Only) divided into 14,50,00,000 (Fourteen Crore Fifty Lakhs) equity shares of face value of ₹10/- each."

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, consent of the Members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place, the following:-

“V. The Authorized Share Capital of the Company is INR 1,45,00,00,000 (Rupees One Hundred Forty Five Crore Only) divided into 14,50,00,000 (Fourteen Crore Fifty Lakhs) Equity Shares of INR 10/- (Rupees Ten Only) each.”

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board / Committee of the Board or any officer(s) authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

6. To consider and approve the issue of equity shares by way of preferential issue on private placement basis to a person belonging to the non-promoter category (“Preferential Issue”).

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

“RESOLVED THAT in accordance with the provisions of Section 23, 42, 62(1)(C) and other applicable provisions of the Companies Act, 2013 (the “**Act**”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, (the “**SEBI ICDR Regulations**”), Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended (“**SEBI LODR Regulations**”) and Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (“**SEBI Takeover Regulations**”), and subject to other applicable rules, regulations, and guidelines of Securities and Exchange Board of India (“**SEBI**”) and/or BSE Limited (“**BSE**”) and/or National Stock Exchange of India Limited (“**NSE**”), where the equity shares of the Company are listed, and applicable and enabling provisions of the Memorandum and Article of Association of the Company and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs (“**MCA**”), the SEBI, the Reserve Bank of India (“**RBI**”) or any other statutory or regulatory authority (hereinafter collectively referred to as “**applicable laws**”), in each case to the extent applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to the approvals, consents, permissions and sanctions of the SEBI, Stock Exchange(s) and any other concerned authorities, to the extent applicable, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions and sanctions (hereinafter collectively referred to as “**necessary approvals**”), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee of Directors duly constituted or to be constituted to exercise powers conferred on the Board by this resolution), the consent and approval of the Members of the Company be and is hereby accorded to create, offer, issue and allot, by way of preferential issue on a private placement basis, in one or more tranches, in compliance with Chapter V of the SEBI ICDR Regulations, upto 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) equity shares of face value of ₹10/- (Rupees Ten only) each (“**Equity Shares**”) at an issue price of ₹18/- (Rupees Eighteen only) per Equity Share which includes a premium of ₹8/- (Rupees Eight only) per equity share not being less than the price as determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations, aggregating up to ₹34,65,00,000/- (Rupees Thirty Four Crore Sixty Five Lakhs Only), for cash, to following person (“**Proposed Allottee**”) as given in the below table on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI ICDR Regulations:

Sr. No.	Name of the Proposed Allottee	Type of Proposed Allottee	Category of Proposed Allottee	Maximum no. of Equity Shares to be offered	Consideration (in ₹)
1.	Sree Metaliks Limited	Corporate Body	Public	1,92,50,000	34,65,00,000/-
Total				1,92,50,000	34,65,00,000/-

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI ICDR Regulations, for the determination of the issue price of the Equity Shares is taken to be Tuesday, August 26, 2025 (“**Relevant Date**”) being the date which is 30 days prior to the date of Annual General Meeting (“**AGM**”) i.e., Friday, September 26, 2025 (considering where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date.)

RESOLVED FURTHER THAT aforesaid issue of the Equity Shares shall be subject to the conditions prescribed under the Companies Act, 2013 and the SEBI ICDR Regulations including the following:

1. The Equity Shares to be allotted to the Proposed Allottee shall be listed on the Stock Exchanges where the existing Equity Shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.
2. The consideration for allotment of Equity Shares shall be paid to the Company from the Bank account of the Proposed Allottee.
3. The price determined above shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time.
4. The Equity Shares to be issued and allotted shall be fully paid up and rank pari-passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
5. The Equity Shares shall be allotted by the Company to the Proposed Allottee in dematerialized form within a period of 15 (Fifteen) days from the date of receipt of members approval, provided that, where the issue and allotment of the said Equity Shares is pending on account of pendency of approval of any Regulatory Authority (including, but not limited to BSE and/or NSE and/or SEBI) or the Government of India, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of receipt of last of such approvals or within such further period/s as may be prescribed or allowed by the SEBI, the Stock Exchange and/or Regulatory Authorities etc.
6. The entire pre-preferential equity shareholding of the Proposed Allottee, if any, shall be subject to lock-in as per Regulation 167(6) of the SEBI ICDR Regulations.
7. The Equity Shares to be offered/issued and allotted shall be subject to lock in for such period as provided under the provisions of Chapter V of SEBI ICDR Regulations.
8. The Equity Shares to be allotted shall be in dematerialized form only.
9. An amount equivalent to 100% of the total consideration for the Equity Shares will be payable at the time of subscription to the Equity Shares, as prescribed under Regulation 169 of the SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable law, the Board be and is hereby authorized to record the name and details of the Proposed Allottee in Form PAS-5, and issue a private placement offer cum application letter in Form PAS-4, to the Proposed Allottee(s) inviting them to subscribe to the equity shares in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of the Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint such professionals and/or intermediaries, including external advisers, experts, legal advisers, managers, etc., to assist the Company, if required for the said preferential issue and finalize the terms and conditions of their appointment and sign and execute necessary letters, deeds, documents and agreements as may be required.

RESOLVED FURTHER THAT Mr. Rajendrakumar Shah, Chairman & Director and/or Mr. Babulal M. Singhal, CFO & Director and/or Company Secretary of the Company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as may, in their absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation to vary, modify or alter any of the relevant terms and conditions, attached to the equity shares to be allotted to the Proposed Allottee for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity shares; making applications to the Stock Exchanges for obtaining in-principle approval; listing of shares; filing requisite documents with the Ministry of Corporate Affairs ("**MCA**") and other regulatory authorities; filing of requisite documents with the depositories; resolve and settle any questions and difficulties that may arise in the preferential offer; issue and allotment of the equity shares; and to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the Board of the Company, and that the Board shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Director(s)/ Chief Financial Officer/ Company Secretary/ any Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or a Committee of the Board, any other Director(s) or Officer(s) of the Company or any other authorized persons in connection with any matter(s) referred to or contemplated in any of the foregoing securities be and are hereby approved, ratified and confirmed in all respects."

7. Issuance and allotment of 3,57,50,000 Warrants by way of preferential issue on private placement basis to a person belonging to the non-promoter category ("Preferential Issue")

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

"RESOLVED THAT in accordance with the provisions of Sections 23, 42, 62(1)(c) of the Companies Act, 2013 (**the "Act"**), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, (**"SEBI ICDR Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended (**"SEBI LODR Regulations"**), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (**"SEBI SAST Regulations"**), and subject to other applicable rules, regulations, and guidelines of Securities and Exchange Board of India (**"SEBI"**) and/or BSE Limited (**"BSE"**) and/or National Stock Exchange of India Limited (**"NSE"**), where the equity shares of the company are listed, and applicable and enabling provisions of the Memorandum and Article of Association of the company and any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued by the Government of India, the Ministry of Corporate Affairs (**"MCA"**), the SEBI, the Reserve Bank of India (**"RBI"**) or any other statutory or regulatory authority (hereinafter collectively referred to as **"applicable laws"**), in each case to the extent applicable and including any amendments, modifications or re-enactments thereof for the time being in force, and subject to the approvals, consents, permissions and sanctions of the SEBI, Stock Exchange(s) and any other concerned authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions, sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall be deemed to include any Committee which the Board may have constituted to exercise certain powers, including the powers, conferred by this resolution), the consent of the members of the Company be and is accorded to create, offer, issue and allot, by way of preferential issue on a private placement basis, in one or more tranches, in compliance with Chapter V of the SEBI ICDR Regulations, upto 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) fully convertible equity warrants (hereinafter referred to as **"Warrants"**) at an exercise price of ₹18/- (Rupees Eighteen Only) per underlying equity share of the face value of ₹10/- (Rupees Ten only) (including a premium of ₹8/- (Rupees Eight Only) per Warrant) which is a price as determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations, each convertible into one (1) equity share of face value of ₹10/- (Rupees Ten only) each (**"Equity Shares"**), aggregating to ₹64,35,00,000/- (Rupees Sixty Four Crore Thirty Five Lakhs only), for cash, to following persons/entities (**"Proposed Allottee"**) as given in the below table on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI ICDR Regulations:

Sr. No.	Name of the Proposed Allottee	Type of Proposed Allottee	Category of Proposed Allottee	Maximum no. of Warrants to be offered	Consideration (in ₹)
1.	Sree Metaliks Limited	Corporate Body	Public	3,57,50,000	64,35,00,000/-
Total				3,57,50,000	64,35,00,000/-

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI ICDR Regulations, for the determination of the issue price of the Equity Shares is taken to be Tuesday, August 26, 2025 (**"Relevant Date"**) being the date which is 30 days prior to the date of Annual General Meeting (**"AGM"**) i.e., Friday, September 26, 2025 (considering where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date.)

RESOLVED FURTHER THAT the aforesaid issue of the Warrants shall be subject to the conditions prescribed under the Companies Act, 2013 and the SEBI ICDR Regulations including the following:

1. The Proposed Allottee of the Warrants shall, on or before the date of allotment of the Warrants, pay minimum amount equivalent to ₹16,08,75,000/- (Rupees Sixteen Crore Eight Lakhs Seventy Five Thousand only) which represents 25% (twenty-five per cent) of the price fixed per Warrant in terms of the SEBI ICDR Regulations. The balance amount of the Issue Price shall be payable by the Proposed Allottee at the time of allotment of equity shares pursuant to exercising of the right attached to the Warrants to subscribe to Equity Share.
2. The consideration for allotment of Warrants and/or Equity Shares arising out of the exercise of such Warrants shall be paid to the Company from the Bank account of the Proposed Allottee.

3. The Warrants shall be issued and allotted by the Company only in Dematerialized form within a period of 15 days from the date of passing a Special Resolution by the members, provided that where the issue and allotment of said Warrants is pending on account of pendency of any approval for such issue and allotment by the Stock Exchanges and/or Regulatory Authorities, or Central Government, the issue and allotment shall be completed within the period of 15 days from the date of last such approval or within such further period/s as may be prescribed or allowed by the SEBI, the Stock Exchanges and/or Regulatory Authorities etc.
4. The Warrants shall be convertible into Equity Shares, in one or more tranches, within a period of 18 months from the date of allotment.
5. In case the Warrant holder does not apply for the conversion of the outstanding Warrants into Equity Shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the amount paid on each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
6. The Warrants shall be exercised in a manner that is in compliance with the minimum public shareholding norms prescribed for the Company under the SEBI LODR Regulations and the Securities Contracts (Regulation) Rules, 1957.
7. Upon exercise of the option to convert the Warrants within the tenure specified above, the Company shall ensure that the allotment of equity shares pursuant to the exercise of the Warrants is completed within 15 days from the date of such exercise by the Proposed Allottee of such warrants.
8. The resulting Equity Shares shall rank pari-passu with the existing fully paid-up Equity Shares of the Company including dividend and voting Rights etc.
9. The resulting Equity Shares will be listed and traded on the Stock Exchanges, where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permission(s) and approval(s), as the case may be. Warrants shall not be listed.
10. The entire pre-preferential allotment equity shareholding of the Proposed Allottee, if any, shall be subject to lock-in as per Regulation 167(6) of the SEBI ICDR Regulations.
11. The Warrants and/or equity shares to be offered/issued and allotted pursuant to the option attached to the Warrants shall be subject to lock-in for such period as provided under the provisions of Chapter V of the SEBI ICDR Regulations.
12. Warrants, so allotted under this resolution, shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under the SEBI ICDR Regulations except to the extent and in the manner permitted there under.
13. The Warrants by itself until converted into Equity Shares, does not give to the Warrant holder any rights (including any dividend or voting rights) in the Company in respect of such Equity Shares.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable law, the Board be and is hereby authorized to record the name and details of the Proposed Allottee in Form PAS-5, and issue a private placement offer cum application letter in Form PAS-4, to the Proposed Allottee inviting them to subscribe to the Warrants in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of the Warrants, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint such professionals and/or intermediaries, including external advisers, experts, legal advisers, managers, etc., to assist the Company, if required for the said preferential issue and finalize the terms and conditions of their appointment and sign and execute necessary letters, deeds, documents and agreements as may be required.

RESOLVED FURTHER THAT, Mr. Rajendrakumar Shah, Chairman & Director and/or Mr. Babulal M. Singhal, CFO & Director and/or Company Secretary of the Company be and are hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as may, in their absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including without limitation to vary, modify or alter any of the relevant terms and conditions, attached to the Warrants to be allotted to the Proposed Allottee for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Warrants; making applications to the Stock Exchanges for obtaining in-principle approval; listing of shares; filing requisite documents with the Ministry of Corporate Affairs ("**MCA**") and other regulatory authorities; filing of requisite documents with the depositories; resolve and settle any questions and difficulties that may arise in the preferential offer; issue

and allotment of the Warrants; and to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the Board of the Company, and that the Board shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute discretion, to any Committee of the Board or any one or more Director(s)/ Chief Financial Officer/ Company Secretary/ any Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board or a Committee of the Board, any other Director(s) or Officer(s) of the Company or any other authorized persons in connection with any matter(s) referred to or contemplated in any of the foregoing securities be and are hereby approved, ratified and confirmed in all respects.

By order of the Board of Directors
For **SAL Steel Limited**

Sd/-

Radhika P. Soni

Company Secretary & Compliance Officer
Memb, No: A64410

Place : Santej, Gujarat

Date : September 04, 2025

Registered Office:

5/1 Shreeji House,

B/h M.J. Library, Ashram Road, Ahmedabad-380 006

CIN: L29199GJ2003PLC043148

NOTES

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020, General Circulation no. 02/2021 dated 13th January, 2021, General Circular No. 3/2022 dated 5th May, 2022 and vide its new General Circular No. 10/2022 dated 28th December, 2022; read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as "MCA Circulars") and other Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI) read with circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 and vide its new Circular No. SEBI/HO/CFD/ PoD-2/P/ CIR/2023/4 dated 5th January, 2023 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue during the calendar year 2025. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 22nd AGM of the Company shall be convened and conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
3. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. For this purpose, the Company has entered into arrangement with National Securities Depository Limited (NSDL), for facilitating voting through electronic means, as the authorized e-Voting's 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 NSDL.
4. Pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Members (i.e. other than Individuals / HUF, NRI, etc.) can appoint their representatives to attend the AGM through VC/OAVM and vote through e-voting. They are requested to send the scanned copy (PDF/JPEG Format) of their Board or Governing Body Resolution/ Authorisation etc., authorising their representative to attend the AGM through VC/OAVM to the Scrutiniser by e-mail through its registered e-mail address to kshahcs@yahoo.co.in with a copy marked to evoting@nsdl.com & cs@salsteel.co.in.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting, is annexed hereto.
6. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will remain open and available for inspection by the members at the administrative office of the Company on all working days, except Saturdays and Sundays, during business hours up till the date of the Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every member participating in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company or their Share Registrars and Transfer Agents.
8. Information pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 with respect to Directors seeking appointment / re-appointment at AGM is attached hereto. The said Directors have furnished necessary consent / declarations for their appointment / re-appointment.
9. As per Regulation 40 of the Listing Regulations, as amended, with effect from 25th January, 2022, securities of listed companies can be transacted only in dematerialized form for issuance of duplicate securities certificates, Claim from Unclaimed Suspense Account, Renewal/Exchange of Securities Certificate; Endorsement, Sub-division / splitting of Securities Certificate, Consolidation of Securities Certificates/Folios; Transfer; Transmission; Transposition etc. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, viz. KFIN Technologies Limited (RTA), having its office at Selenium Building, Tower-B, PlotNo. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, india-500 032 Toll Free : 1800 309 4001, Email id.: einward.ris@kfintech.com & shyam.kumar@karvy.com and quote their DP ID No. /Client ID No. or folio number in all their correspondence.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to RTA in case the shares are held in physical form.
11. Members who have not registered their email IDs so far with their depository participants, are requested to register their email IDs for receiving all the Communications including Annual Report, Notices etc. in electronic mode.
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.
13. The businesses set out in the Notice of this AGM will be transacted through electronic voting system. Instructions and other information regarding e-voting are given here in below. The Company / NSDL will also send communication relating to e-voting which inter alia will contain details about User ID and password along with a copy of this Notice to the Members of the Company, separately.
14. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
15. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website: www.salsteel.co.in.
16. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2025 is uploaded on the Company's website www.salsteel.co.in and may be accessed by the members.
17. Electronic copy of the Annual Report for 2024-25 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same.
18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. Since AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this Notice.
20. Non-Resident Indian members are requested to inform RTA/respective DPs, immediately of (a) Change in their Residential Status on return to India for the purpose of permanent settlement, along with PAN details, (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank along with PIN Code number, if not provided earlier.

NSDL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING THE ANNUAL GENERAL MEETING

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.salsteel.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.
8. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 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.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

The remote e-voting period begins on Tuesday, 23rd September, 2025 at 09:00 A.M. and ends on Thursday, 25th September, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, 19th September, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, 19th September, 2025.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>

Type of shareholders	Login Method
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Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System My easi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
 1. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 2. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 3. Now, you will have to click on "Login" button.
 4. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system. How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

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

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

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

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

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/ AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@salsteel.co.in. The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may pre-register themselves as a speaker by sending their request from their Registered Email address in advance at HYPERLINK "<mailto:cs@shahalloys.com>" cs@shahalloys.com between **Friday, 19th September, 2025 (9.00 A.M. IST) and Saturday, 20th September, 2025 (5.00 P.M. IST)** mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries at HYPERLINK "<mailto:cs@shahalloys.com>" cs@shahalloys.com between **Friday, 19th September, 2025 (9.00 A.M. IST) and Saturday, 20th September, 2025 (5.00 P.M. IST)** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. 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.
9. 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.

GENERAL INSTRUCTIONS FOR VOTING:

- a. Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072), Address: 801-A, Mahalaya Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- b. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, submit to the Chairman of the Company.
- c. Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website <http://www.salsteel.co.in> and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company. The results shall be communicated to the NSE and BSE Limited and will also be uploaded on website of Stock Exchanges.
- d. 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. Friday, 19th September, 2025**, may obtain the login ID and password by sending a request at www.evotingindia.com.

Note: For detailed instructions for e-voting, please visit website of NSDL.

EXPLANATORY STATEMENT

(Pursuant to section 102 of the companies act, 2013 and the rules framed thereunder)

Item No. 3:

The Board at its meeting held on May 30, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. Kamlesh M. Shah & Co., Practising Company Secretaries, a peer reviewed firm (CP No. 2072/Memb. No. A8356) as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. M/s. Kamlesh M. Shah & Co. is peer reviewed Practising Company Secretaries having 32 years of rich Professional Experience as Practising Company Secretary in Corporate Legal Compliance Management, and dealing with compliance of various stock exchanges, SEBI, FEMA and other legal compliances of many listed companies and unlisted companies.

M/s. Kamlesh M. Shah & Co. has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by M/s. Kamlesh M. Shah & Co. as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed fees plus applicable taxes and other out-of-pocket expenses for FY 25-2026 and for subsequent year(s) of their term as may be mutually agreed between the Board of Directors and M/s. Kamlesh M. Shah & Co. In addition to the secretarial audit, M/s. Kamlesh M. Shah & Co shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in **Item No. 3** of this Notice for approval of the Members. None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in **Item No. 3** of this Notice.

ITEM NO. 4:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Ashish Bhavsar

& Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 at the remuneration of ₹ 75,000/- per annum plus out of pocket expenses, if any, incurred during the course of audit. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at **Item No. 04** of the Notice. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends the Ordinary Resolution set out at **Item No. 04** of the Notice for approval by the shareholders.

ITEM NO. 5:**Increase in Authorised Share Capital of the Company and alteration of capital clause of Memorandum of Association of the Company**

Presently, the Authorized Share Capital of the Company is ₹1,40,00,00,000 (Rupees One Hundred Forty Crore Only) divided into 14,00,00,000 (Fourteen Crore) equity shares of ₹10 (Rupees Ten Only) each and the current paid-up capital of the Company is ₹84,96,67,000 (Rupees Eighty Four Crore Ninety Six Lakhs Sixty Seven Thousand Only) divided into 8,49,66,700 (Eight Crore Forty Nine Lakhs Sixty Six Thousand Seven Hundred) equity shares of ₹10 (Rupees Ten Only) each.

To facilitate a proposed issuance of the Equity Shares of the Company on a preferential basis and the future requirements, if any, of the Company, approval of the Members of the Company is sought for an increase in the Authorized Share Capital of the Company to ₹1,45,00,00,000 (Rupees One Hundred Forty Five Crore Only) divided into 14,50,00,000 (Fourteen Crore Fifty Lakhs) equity shares of ₹10 (Rupees Ten Only) each as also stated in the proposed Ordinary Resolution specified as **Item No. 5** of this Notice. Article 5 of the Articles of Association empowers the Company to authorize or make any changes in the issued, subscribed or paid-up share capital of the Company.

Further, the increase in the Authorized Share Capital as aforesaid would entail consequential alteration of the existing Clause V of the Memorandum of Association of the Company. Accordingly, approval of Members of the Company is sought for alteration of existing Clause V of the Memorandum of Association as also stated in the proposed Ordinary Resolution specified as Item No. 5 of this Notice.

The set of Memorandum of Association is available for inspection at the Registered Office of the Company during business hours between 10:00 a.m. to 04:00 P.M. on all working days of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice except to the extent of their shareholding in the Company. This statement may also be regarded as an appropriate disclosure under the Act and the SEBI LODR Regulations.

The Board recommends the Ordinary Resolution set out in Item No. 5 of the Notice for approval by the Members.

ITEM NO. 6 & 7:

To consider and approve the issue of Equity Shares and Warrants (collectively known as “Securities”) by way of Preferential Issue on Private Placement basis to a person belonging to the non-promoter category.

The following statement sets out all material facts relating to the Special Business set out at Item Nos. 6 and 7 of this Notice.

The Board of Directors of the Company (“**Board**”), at its meeting held on Thursday, September 4, 2025, considered, approved and executed Share Purchase Agreement (“**SPA**”) dated September 04, 2025 amongst the Company, Shah Alloys Limited (“**Promoter Shareholder 1**” or “**Seller 1**”), SAL CARE Private Limited, (“**Promoter Shareholder 2**” or “**Seller 2**”) (“**Seller 1**” and “**Seller 2**” together referred as “**Sellers**”)(“**Promoter Shareholder 1**” and “**Promoter Shareholder 2**” together referred as “**Promoters**”) and Sree Metaliks Limited (“**Acquirer**” or “**Proposed Allottee**”), for recording the terms and conditions pursuant to which:

- (i) Seller 1 has agreed to sell 3,02,56,989 (Three Crore Two Lakh Fifty Six Thousand Nine Hundred Eighty Nine) Equity Shares; and
- (ii) Seller 2 has agreed to sell 1,27,02,506 (One Crore Twenty Seven Lakh Two Thousand Five Hundred Six) Equity Shares and 48,00,000 (Forty Eight Lakh Warrants) share warrants each carrying a right exercisable by the warrant holder to subscribe to one (1) Equity Share against each warrant to the Acquirer, subject to the terms and conditions as set out in SPA.

The Board at the same meeting considered, approved and executed Share Subscription Agreement (“**SSA**”) dated September 04, 2025 between the Company and Acquirer, for recording the terms and conditions pursuant to which the Company will offer

- (i) 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) Equity Shares and
- (ii) 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) fully convertible equity warrants (“**Warrants**”) each carrying a right exercisable by the warrant holder to subscribe to one (1) equity share of the face value of ₹10/- (Rupees Ten only) against each Warrant as provided in the SSA to the Acquirer by way of a Preferential Allotment in accordance with the Chapter V of the SEBI (ICDR) Regulations.

The transaction contemplated under the SPA and SSA has also triggered an obligation on the Acquirer to make an open offer to the public shareholders of the Company in terms of Regulation 3(1) and 4 of the SEBI (SAST) Regulations (“**Open Offer**”).

Pursuant to the SPA and SSA, the Acquirer is seeking to acquire majority voting rights and control of the Company through a combination of (i) Preferential Allotment, (ii) secondary acquisition from the Sellers in terms of SPA and (iii) acquisition of equity shares in the Open Offer.

Further in accordance with the provisions contained in Regulation 166A of SEBI (ICDR) Regulations, as the proposed Preferential Allotment could result in a change in control of the company, the independent directors of the Company met on September 04, 2025 prior to the Board meeting and after considering all the aspects relating to the Preferential Allotment including pricing, recommended the issue to the Board unanimously. The said meeting was attended by all the independent directors of the Company

The proposed preferential issue is being made in accordance with the provisions of Sections 23, 42, and 62(1)(c) of the Companies Act, 2013 (the “**Act**”) read with applicable rules made thereunder including Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”), and other applicable laws.

In accordance with the provisions of the Act and SEBI ICDR Regulations, approval of the shareholders of the Company is being sought by way of Special Resolutions for the Preferential Issue as detailed in the Resolutions at Item Nos. 6 and 7 of this Notice.

The relevant disclosures as required to be made in respect of the proposed preferential issue, in accordance with the provisions of Regulation 163(1) of Chapter V of the SEBI (ICDR) Regulations, Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, and BSE Circular No. 20221213-47 dated December 13, 2022 and NSE Circular No. NSE/CML/2022/56 dated December 13, 2022 are set out below:

1. Particulars of the offer including the date of passing of the Board

The Board of Directors at its meeting held on September 04, 2025, has, subject to the approval of shareholders of the Company and condition specified under the SSA and such other regulatory or statutory authorities, as may be required, approved the raising of funds of up to ₹99,00,00,000/- (Rupees Ninety Nine Crore Only), for cash, by creating, issuing, offering and allotting the following securities of the Company to Sree Metaliks Limited, a company belonging to Non-Promoter Group category, by way of a Preferential Issue on a private placement basis:

- a) Issuance of up to 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) equity shares of the face value of ₹10/- (Rupee Ten only) each, at an issue price of ₹18/- (Rupees Eighteen Only) (including a premium of ₹8/- (Rupees Eight Only) per equity share, aggregating to ₹34,65,00,000/- (Rupees Thirty Four Crore Sixty Five Lakhs Only), not being less than the price as determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.
- b) Issuance of up to 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) Warrants each carrying a right exercisable by the warrant holder to subscribe to one (1) equity share of the face value of ₹10/- (Rupees Ten only) each against each Warrant at an exercise price of ₹18/- (Rupees Eighteen Only) per equity share (including a premium of ₹8/- (Rupees Eight Only) per equity share, aggregating to ₹64,35,00,000/- (Rupees Sixty Four crore Thirty Five Lakhs Only), not being less than the price as determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations, which may be exercised in one or more tranches during the period commencing from the date of allotment of the warrants until expiry of 18 (Eighteen) months from the date of allotment of the warrants.

2. Objects of the Preferential Issue

The Company intends to utilize the proceeds raised through the Preferential Issue ("**Issue Proceeds**") towards the following objects:

- a) **Working Capital Requirements** : To meet incremental working capital needs arising from procurement of raw materials, operational expenses, and support for growth in business operations.
- b) **Establishment of Pellet Plant Facility** : A portion of the Issue Proceeds will be deployed towards setting up a new pellet plant facility. The plant is expected to enhance backward integration, reduce dependence on external suppliers, improve raw material efficiency, and contribute to better margins and competitiveness.
- c) **Refurbishment and Upgradation of Furnace Facilities** : The Company proposes to refurbish and upgrade its existing furnace facilities to enhance production capacity, energy efficiency, and product quality. This expenditure will help extend the useful life of assets, reduce operating costs, and strengthen overall manufacturing efficiency.
- d) **Strengthening and Upkeep of Plant Infrastructure** : The Company intends to utilize part of the Issue Proceeds for preventive maintenance, modernization, and improvement of its plant infrastructure. This will ensure smooth operations, higher safety standards, and compliance with regulatory and environmental requirements.
- e) **General Corporate Purposes** - Up to ₹ 1 Crore of the Issue Proceeds will be utilised for general corporate purposes, which includes, inter alia, meeting ongoing general corporate exigencies and contingencies, expenses of the Company as applicable in such a manner and proportion as may be decided by the Board from time to time, and/or any other general purposes as may be permissible under applicable laws.

(collectively referred to below as the "**Objects**")

Utilization of Issue Proceeds

Given that the Preferential Issue comprises both Equity Shares and Convertible Warrants, the Issue Proceeds shall be received by the Company in tranches, depending upon the subscription and conversion of such instruments. Since the funds to be received against Warrant conversion will be in stages and the quantum of funds required at different points of time may vary, the broad range of intended utilization of the Issue Proceeds towards the aforesaid Objects of the Issue has been set out hereinbelow:

(₹ in crore)

Sr. No.	Objectives of the proposed issue	FY 2025-26*	FY 2026-27	Total
1	Working Capital Requirements	20.00	10.00	30.00
2	Establishment of Pellet Plant Facility	10.00	20.00	30.00
3	Refurbishment and Upgradation of Furnace Facilities	10.00	10.00	20.00
4	Strengthening and Upkeep of Plant Infrastructure	10.50	7.50	18.00
5	General Corporate Purpose	0.50	0.50	1.00
	Total	51.00	48.00	99.00

*considering 100% conversion of Warrants into Equity Shares within the stipulated time.

Since the Preferential Issue also includes Convertible Warrants, the Issue Proceeds shall be received by the Company within a period of 18 (eighteen) months from the date of allotment of such Warrants, in accordance with the provisions of Chapter V of the SEBI ICDR Regulations. Based on the estimates of our management, the entire Issue Proceeds are proposed to be deployed towards the Objects of the Issue, in phases, depending upon the Company's business requirements and availability of Issue Proceeds. It is currently expected that such utilisation will be completed within a period of 12 (twelve) months from the date of receipt of funds in respect of the Equity Shares and/or Convertible Warrants, as applicable.

If the Issue Proceeds are not utilised (in full or in part) for the Objects during the period stated above due to any factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications, the remaining Issue Proceeds shall be utilised in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws and in accordance with applicable circulars issued by SEBI and/or Stock Exchanges, from time to time.

Till such time the issue proceeds are fully utilized, the Company shall keep the same in bank deposits and/or mutual funds and/or other short term funds deposits in scheduled commercial banks or any other investment as permitted under applicable laws and as may be decided by the Board of Directors of the Company.

3. Monitoring of Utilization of Funds

Since, the issue size does not exceed ₹100 Crore (Rupees One Hundred Crore), in accordance with Regulation 162A of the SEBI ICDR Regulations, the Company is not required to appoint a Credit Rating Agency, as the Monitoring Agency to oversee the use of proceeds from the Preferential Issue.

4. Kinds of Securities offered and the price at which security is being offered, and the total/ maximum number of Securities to be issued.

These Special Resolutions authorize the Board of Directors of the Company to issue and allot, by way of preferential issue on a private placement basis, in one or more tranches and in compliance with the applicable provisions of the SEBI ICDR Regulations, the following Securities:-

- Up to 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) Equity Shares at an issue price of ₹18/- (Rupees Eighteen Only), including a premium of ₹8/- (Rupees Eight Only) per Equity Share, aggregating to ₹34,65,00,000/- (Rupees Thirty Four Crore Sixty Five Lakhs Only).
- Up to 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) Warrants, each convertible into one Equity Share of face value ₹10/- (Rupees Ten only) each, at an exercise price of ₹18/- (Rupees Eighteen only) per Warrant, aggregating up to ₹64,35,00,000/- (Rupees Sixty Four Crore Thirty Five Lakhs Only).

Further, no assets of the Company are charged as Securities for the said preferential issue.

5. Relevant Date

In terms of the provisions of Regulation 161 of the SEBI ICDR Regulations, the Relevant Date for the purpose of determining the floor price for the Preferential Issue is Tuesday, August 26, 2025, being the date 30 days prior to the date of Annual General Meeting ("AGM") i.e., Friday, September 26, 2025 (considering where the relevant date falls on a weekend or a holiday, the day preceding the weekend or the holiday will be reckoned to be the relevant date.)

6. Basis on which the price has been arrived at and justification for the price (including premium), if any

Considering that the allotment shall be more than 5% of the post-issue fully diluted share capital of the Company, to the Proposed Allottee, the price, ₹18/- (Rupees Eighteen Only) of the Equity Shares and Warrants to be issued and allotted to the Proposed Allottee has been determined taking into account the valuation report dated September 4, 2025, issued by Yash K. Mehta, Registered Valuer (Registered Valuer Registration Number: IBBI/RV/06/2019/11647), in accordance with Regulations 164 and 166A of the SEBI ICDR Regulations ("**Valuation Report**")

In accordance with Regulation 164(1) of the SEBI ICDR Regulations, the minimum floor price for issuance of Equity Shares and Warrants to person other than qualified institutional buyers shall be the higher of the following:

- a) the 90 trading days volume weighted average price (VWAP) of the related equity shares quoted on the recognized stock exchanges preceding the relevant date; or
- b) the 10 trading days volume weighted average price (VWAP) of the related equity shares quoted on a recognized stock exchanges preceding the relevant date;

Provided that if the Articles of Association of the issuer provide for a method of determination, which results in a floor price higher than that determined under these regulations, then the same shall be considered as the floor price for specified Securities to be allotted pursuant to the preferential issue.

It is to be noted that nothing mentioned in the Articles of Association of the Company provides for a method of determination of floor price for Securities to be allotted under the preferential issue.

Further as per regulation 164(4)(a), a preferential issue of specified Securities to qualified institutional buyers, not exceeding five in number, shall be made at a price not less than the 10 trading days volume weighted average prices of the related equity shares quoted on recognized Stock Exchanges preceding the relevant date. – **Not Applicable**

The shares of the Company are listed and traded on the main Board of BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). Higher trading volume has been recorded on NSE during the abovementioned period. As per the trading volume data available on NSE, the shares of the Company are frequently traded.

In accordance with Regulation 166A of the SEBI ICDR Regulations, any preferential issue, which may result in the allotment of more than 5% (Five Percent) of the post-issue fully diluted share capital of the company, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer, and consider the same for determining the price.

Provided that the floor price, in such cases, shall be higher of the floor price determined under sub-regulation (1), (2) or (4) of regulation 164, as the case may be, or the price determined under the valuation report from the independent registered valuer, or the price determined in accordance with the provisions of the Articles of Association of the issuer, if applicable.

Accordingly, Valuation Report dated September 4, 2025 has been obtained by the Company from Yash K. Mehta, Registered Valuer (Registered Valuer Registration Number: IBBI/RV/06/2019/11647), in accordance with Regulations 164 and 166A of the SEBI ICDR Regulations.

Accordingly, the floor price for the proposed preferential issue has been determined as the highest of the following:

- Floor price determined under Regulation 164(1), as mentioned above;
- Price determined under the Valuation Report from the independent registered valuer;

Price details are as follows:

- 90 trading days VWAP on NSE prior to the Relevant Date: ₹17.86.
- 10 trading days VWAP on NSE prior to the Relevant Date: ₹16.57.
- Price as per Valuation Report under Regulation 166A(1) of SEBI ICDR Regulations: ₹17.98/-

Accordingly, the Warrants shall be issued at an exercise price of ₹18/- (Rupees Eighteen Only) per Warrant (including a premium of ₹8/- (Rupees Eight Only) per Warrant) and Equity Shares shall be issued at an issue price of ₹18/- (Rupees Eighteen Only) per Equity Share of the face value of ₹10/- each (including a premium of ₹8/- (Rupees Eight Only) per Equity Share) in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

Justification for allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not Applicable

Valuation for consideration other than cash: Not Applicable

7. Amount which the Company intends to raise by way of Securities.

The Company intends to raise up to a maximum of ₹99,00,00,000/- (Rupees Ninety Nine Crore Only) by way of issuance of up to 1,92,50,000 (One Crore Ninety Two Lakhs Fifty Thousand) Equity Shares and up to 3,57,50,000 (Three Crore Fifty Seven Lakhs Fifty Thousand) Warrants convertible in Equity Shares.

8. Pending preferential issue

Presently, there has been no preferential issue pending or in process except as proposed in this Notice.

9. Re-computation of Issue Price

The Company shall re-compute the issue price of the Securities, in terms of the provision of the SEBI ICDR Regulations, where it is required to do so; and that if any amount payable on account of the re-computation of issue price is not paid within the time stipulated in the SEBI ICDR Regulations, the Securities Shares allotted under preferential issue shall continue to be locked- in till the time such amount is paid by the allottee(s).

10. Payment of Consideration:

For Equity Shares: In terms of the provisions of Regulation 169(1) of the SEBI ICDR Regulations, 100% consideration of Equity Shares shall be paid by the Proposed Allottee at the time of allotment of such Equity Shares. Accordingly, the entire consideration for Equity Shares is required to be paid to the Company at the time of allotment of Equity Shares to the Proposed Allottee.

The consideration for the Equity Shares shall be payable in cash and has to be paid by the Proposed Allottee from their respective bank accounts and in case of joint holders, shall be received from the bank account of the person whose name appears first in the application.

For Warrants: In terms of the provisions of Regulation 169(2) of the SEBI ICDR Regulations, an amount equivalent to at least 25% (twenty five percent) of the total consideration for the Warrants will be payable at the time of subscription to the Warrants, which will be kept by the Company to be adjusted and appropriated against the issue price of the resulting Equity Shares.

The balance exercise price of Warrants equivalent 75% (seventy five percent) of the issue price shall be payable by the Proposed Allottee at the time of exercising the Warrant.

In case the Warrant holders do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the Warrants, then the consideration paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the Warrants shall lapse automatically.

11. Dues toward SEBI, Stock Exchanges or Depositories:

There are no outstanding dues of the Company payable towards SEBI, Stock Exchanges or Depositories as on the date of this Notice.

12. The class or classes of persons to whom the allotment is proposed to be made

The preferential issue of Securities is proposed to be made to the Proposed Allottee belonging to the Non Promoter Category which is given in detail in point 19.

13. Intention of the Promoters, Directors, Key Managerial Personnel or Senior Management of the Company to subscribe to the preferential issue

None of the Promoters, Directors or Key Managerial Personnel or Senior Management or their relatives intends to subscribe to any Securities under the Preferential Issue.

14. Proposed time frame within which the preferential issue shall be completed

In terms of Regulation 170(1) of the SEBI ICDR Regulations, preferential allotment of Equity Shares and Warrants to Proposed Allottee pursuant to the special resolution will be completed within a period of 15 (fifteen) days from the date of passing of special resolution.

Provided that where the allotment is pending on account of receipt of any approval or permission from any regulatory authority, including but not limited to SEBI, Stock Exchanges, MCA, or the Government of India, the said period of 15 (fifteen) days shall be counted from the date of receipt of the last of such approvals, or such other time as may be permitted by SEBI or other competent authorities.

Proposed Allottee of Warrants shall be entitled to convert the same into an equal number of Equity Shares, in one or more tranches, within a period of eighteen (18) months from the date of allotment of the Warrants.

Upon exercise of the option to convert the Warrants within the tenure specified above, the Company shall ensure that the allotment of equity shares pursuant to exercise of the Warrants is completed within 15 days from the date of such exercise by the allottees of such Warrants

15. Listing

The Company will make an application to the Stock Exchanges on which the equity shares are listed, for listing of the aforementioned Equity Shares and Equity Shares allotted pursuant to conversion of the Warrants. The above shares, once allotted, shall rank pari passu with the then existing Equity shares of the Company in all respects, including dividend.

16. Shareholding pattern of the Company before and after the preferential issue

The shareholding pattern of the Company before and after the proposed preferential issue is likely to be as follows:

Category	Pre-Issue Shareholding Structure(1)		Securities to be Allotted(2)	Post-Issue Shareholding(3)	
	No. of Shares	% of Shareholding		No. of Shares	% of Shareholding(3)
(a) Individuals & HUF	-	-	-	-	-
(b) Bodies Corporate^	4,29,59,495	50.56%	5,50,00,000	10,27,59,495	70.98%
Sub Total (A1)	4,29,59,495	50.56%	5,50,00,000	10,27,59,495	70.98%
(A2) Foreign	-	-	-	-	-
Total Promoter shareholding A=A1+A2	4,29,59,495	50.56%	5,50,00,000	10,27,59,495	70.98%
(B1) Institutions (Domestic)	-	-	-	-	-
(B2) Institutions (Foreign)	1,30,037	0.15%	-	1,30,037	0.09%
(B3) Central Government/ State Government(s)/ President of India	-	-	-	-	-
(a) Individuals	3,66,05,525	43.08%	-	3,66,05,525	25.29%
(b) Body Corporate	16,04,270	1.89%	-	16,04,270	1.11%
(c) Others (Including NRI)	36,67,373	4.32%	-	36,67,373	2.53%
Sub Total (B4)	4,18,77,168	49.29%	-	4,18,77,168	28.93%
Total Public Shareholding B=B1+B2+B3+B4	4,20,07,205	49.44%	-	4,20,07,205	29.02%
(C) Non-Promoter Non-Public Shareholding	-	-	-	-	-
Grand Total (A+B+C)	8,49,66,700	100.00%	5,50,00,000	14,47,66,700	100.00%

Notes:

- The pre-issue shareholding pattern is as on 30th June, 2025.
- The present issue of Securities includes allotment of 1,92,50,000 Equity Shares and 3,57,50,000 Convertible Warrants.
- The post issue shareholding is arrived at after assuming conversion of all Warrants (Including existing 48,00,000 Warrants held by member of Promoter) to Equity Shares.

17. Particulars of the Proposed Allottees and the identity of the natural persons who are the ultimate beneficial owners of the Securities proposed to be allotted and/or who ultimately control the Proposed Allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the Issuer consequent to the preferential issue:

Sr. No.	Names	PAN	Natural Persons who are the Ultimate Beneficial Owners (UBOs)	Pre-Preferential Holding & (%)	No. of Securities to be allotted	Post-Preferential Holding & (%) (1)(2)
1.	Sree Metaliks Limited	AAECS1828F	Mahesh Kumar Agarwal PAN - AAXPA8674K	NIL	5,50,00,000	5,50,00,000 (37.99%)

1. % of holding of the shares to be allotted are calculated based on post-preferential shareholding assuming allotment of 1,92,50,000 Equity Shares and conversion 3,57,50,000 Warrants to Equity Shares.
2. The above shareholding details of Sree Metaliks Limited in the Company, only represents the shareholding before and after the proposed Preferential Allotment. Hence, the above shareholding details do not take into consideration the acquisitions proposed to be made by Sree Metaliks Limited pursuant to the SPA and the Open Offer.

In terms of the SPA, the Proposed Allottee will be classified as the 'Promoters' of the Company in accordance with applicable laws and would acquire the management and control of the Company. The existing Promoter and other members of the Promoters and Promoters group will be classified from 'promoter' to 'public'.

18. Lock-in Period

The Equity Shares and Warrants to be issued and allotted on a preferential basis, as well as the Equity Shares arising upon conversion of such Warrants, shall be subject to lock-in in accordance with the provisions of Regulation 167 of the SEBI ICDR Regulations:

1. Pre-Preferential Shareholding Lock-in:

The entire pre-preferential shareholding of the Proposed Allottee, if any, shall be locked-in from the Relevant Date up to a period of 90 (ninety) trading days from the date of trading approval for the Equity Shares or from the date of allotment of Warrants, as applicable, in accordance with Regulation 167(6) of the SEBI ICDR Regulations.

2. Lock-in of Equity Shares to be Allotted:

The Equity Shares proposed to be allotted on a preferential basis to Proposed Allottee, who will form part of the Promoter Group of the Company in terms of SPA, shall be locked-in for a period of 18 (eighteen) months from the date of trading approval granted by the Stock Exchanges as per the applicable provisions of the SEBI ICDR Regulations.

3. Lock-in of Warrants to be Allotted:

The Warrants to be issued on a preferential basis shall be locked-in for a period of 1 (one) year from the date of allotment of such Warrants, in accordance with Regulation 167(1) of the SEBI ICDR Regulations.

4. Lock-in of Equity Shares arising on Conversion of Warrants:

The Equity Shares to be allotted upon conversion of Warrants shall be locked-in for a period of 18 (eighteen) months from the date of trading approval granted by the Stock Exchanges, in accordance with Regulation 167(1) of the SEBI ICDR Regulations.

19. The current and proposed status of the Proposed Allottees post the preferential issues namely, promoter or non-promoter

S. No.	Name of Allottee	Current Status	Post Status*
1.	Sree Metaliks Limited	Public	Promoter

*The Proposed Allottee will become promoter of the Company, on the consummation of SPA and SSA and in accordance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

20. Practicing Company Secretary's Certificate

A certificate from M. K. Samdani & Co.(ACS:41630, C.P.No.21853) Practicing Company Secretary, certifying that the preferential issue is being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website at <http://salsteel.co.in/investor.htm.html>.

21. Valuation and justification for the allotment proposed to be made for consideration other than cash

Not applicable as the Company has not proposed to issue the Securities for consideration other than cash.

22. Number of persons to whom allotment on a preferential basis has already been made during the year, in terms of the number of Securities as well as price

During the Financial Year 2025-26, no preferential allotment has been made to any person as of the date of this Notice

23. Recommendation from the committee of Independent Directors:

In accordance with the provisions contained in Regulation 166A of SEBI (ICDR) Regulations, as the proposed Preferential Allotment would result in a change in control of the company, the independent directors of the Company met on September 04, 2025 prior to the Board meeting and after considering all the aspects relating to the Preferential Allotment including pricing, recommended the issue to the Board unanimously. The said meeting was attended by all the independent directors of the Company

24. Principle terms of assets charged as Securities

Not applicable

25. Material terms of raising such Securities

All material terms have been set out above.

26. Undertakings

- (a) The Proposed Allottee have confirmed that it has not sold any Equity shares of the Company during the 90 trading days preceding the Relevant Date.
- (b) The Proposed Allottee is not categorized as wilful defaulter(s) or fraudulent borrower or fugitive economic offenders as defined under the SEBI ICDR Regulations.
- (c) The Company is in compliance with the conditions for continuous listing and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- (d) The Company, its Directors or Promoters of the Company are not categorized as wilful defaulter(s) or fraudulent borrower. Consequently, the disclosure required under Regulation 163(1)(i) if the SEBI ICDR Regulations is not applicable.
- (e) None of the Company's Promoters or Directors are fugitive economic offenders as defined under the SEBI ICDR Regulations.
- (f) The Company shall re-compute the price of the relevant Securities to be allotted under the preferential issue in terms of the provisions of the SEBI ICDR Regulations where it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations, if required.
- (g) If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant Securities to be allotted under the preferential issue shall continue to be locked in till the time such amount is paid by the Proposed Allottee.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the Securities to Proposed Allottee is being sought by way of a Special Resolution as set out in the said Item No.6 & 7 of the Notice.

The issue of the Warrants and Equity Shares under the preferential issue would be within the enhanced Authorized Share Capital of the Company.

The Board of Directors believes that the proposed preferential issue is in the best interest of the Company and its Members and, therefore, recommends the resolution at Item No. 6 & 7 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives thereof are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 6 & 7 of this Notice except and to the extent of their shareholding in the Company.

By order of the Board of Directors
For **SAL Steel Limited**

Sd/-

Radhika P. Soni

Company Secretary & Compliance Officer
Memb, No: A64410

Place : Santej, Gujarat

Date : September 04, 2025

Registered Office:

5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006
CIN: L29199GJ2003PLC043148

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE
22ND ANNUAL GENERAL MEETING OF THE COMPANY**

[Pursuant to regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015] and Secretarial Standard on General Meetings (SS-2)

Name of Director	Shri Babulal M. Singhal
DIN	01484213
Designation	Whole Time Director
Date of Birth	May 04, 1957
Original Date of Appointment	May 16, 2006
Relationship with other Directors Inter se	None
Profile & Expertise in specific functional Areas	More than 41 years of rich experience in the field of Accounting, Finance, Auditing and Taxation.
Qualification	Chartered Accountants and B.Com
Shareholding in the Company	NIL
List of other Companies in which directorships are held	None
List of committees of Board of Directors (across all other Companies) in which Chairmanship/ Membership is held	None
Listed entities from which the person has resigned from Directorships in the past three years	None
Listed entities from which the person has resigned from Chairmanship/ Membership in the past three years	None

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 22nd Annual Report of your company on the operations and performance along with the Audited Financial Statements and the Auditor's Report thereon, for the year ended on 31st March, 2025.

FINANCIAL HIGHLIGHTS

₹ in Crores

Particulars	31 st March, 2025	31 st March, 2024
Total Revenues	544.98	578.23
Total Expenditure	537.56	567.97
Profit before interest depreciation, extraordinary item and tax	7.42	10.26
Depreciation and Interest	10.57	9.62
Profit / (Loss) before exceptional, extraordinary item and tax	(3.15)	0.64
Exceptional & Extraordinary item	4.16	-
Profit / (Loss) before tax	(7.31)	0.64
Tax Expense / Deferred tax	(0.88)	0.17
Net Profit / (Loss) for the year	(6.42)	0.47
Total Comprehensive income	1.12	0.03
Profit / (Loss) Brought forward from last year	(79.77)	(80.27)
Balance Carried forward	(86.07)	(79.77)

STATE OF COMPANY'S AFFAIRS /PERFORMANCE OVERVIEW

During the year under review Total Revenue from operation has decreased from ₹ 578.23 Crores to ₹ 544.98 Crores as compared to previous year's turnover. Company has registered a net profit/(Loss) before tax of (₹ 3.15) Crores in comparison to net profit of ₹ 0.64 Crores during previous year.

DIVIDEND

As the Company has other pipelined projects for growth the Directors of your Company have not recommended dividend for the financial year 2024-25.

BUSINESS ACTIVITY

The company is engaged in manufacture of Sponge Iron, Ferro Alloys and Power. Company is generating power on account of waste heat recovery system resulting economic price. Company is having its power plant of 40 MW. Power generated is used for captive consumption. There has been no change in the nature of business of the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture / associate. The Company is an Associate Company of M/s. Shah Alloys Limited as it is holding more than 20% of the Equity Share Capital in the Company as a Promoter Company.

SHARE CAPITAL

During the financial year under review, Company has issued 48,00,000 Warrants Convertible into 48,00,000 Fully paid up Equity Shares of ₹10/- each at a price not less than ₹25/- (Includes Premium of ₹15/-) to the promoter allottee (SAL CARE Private Limited) on a preferential basis as on 29th June, 2024 approved by Special Resolution passed at Extra ordinary General Meeting was held through Video Conference("VC") and /or other audio visual means("OAVM")(Hereinafter Referred to as "Electronic Mode") on Saturday, 08th June, 2024. Except these there was no other change in the authorized and paid-up share capital of the Company.

DEPOSIT

The Company has not accepted any deposit during the year under review and no amount against the same was outstanding at the end of the year falling within the ambit of Section 73 of the Companies Act, 2013 (the act) and the Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

LISTING OF SHARES

The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fee for the year 2025-26 has been paid to the credit of both the Stock Exchanges.

DETAILS OF DIRECTORS OR KMPS APPOINTMENT OR RESIGNATION

The Board of Directors consists of Seven (07) members, of which four (04) are Independent Directors including Two Women Independent Director.

DIRECTORS:

During the financial year 2024-25, the Board of Directors of the Company, based on the approval and recommendation of members of Nomination and Remuneration Committee has appointed Shri Mrinal Sinha (DIN: 09482143), as Additional Director designated as Whole-time Director w.e.f. November 12, 2024. Subsequently, he was appointed as Whole Time Director of the Company by way of Ordinary Resolution passed by the members of the company through Postal Ballot on Friday 27th December, 2024 through Remote E-Voting commenced from 28th November, 2024 at 09.00 AM (IST) and ended on Friday, 27th December, 2024 at 05.00 PM (IST) for the period of Five (05) consecutive years commencing from November 12, 2024 up to November 11, 2029 liable to retire by rotation.

During the financial year 2024-25, the Board of Directors of the Company, based on the approval and recommendation of members of Nomination and Remuneration Committee has appointed Smt. Nipa Jairaj Shah (DIN:10833814), as Additional Director (Non-Executive, Independent) subject to the approval and regularization of his appointment by the members of the company in the next general meeting or within a time period of 3 Months from the date of appointment, whichever is earlier, as non-executive Independent Director of the company to hold office for a term of 5(Five) consecutive years w.e.f. November 12, 2024. Subsequently, she was appointed as Non-executive Independent Director of the Company by way of Special Resolution passed by the members of the company through postal ballot (meeting Sr. No. 01/PB/2024-25) on Friday, December 27, 2024 through remote e-voting commenced from November 28, 2024 at 09.00 AM (IST) and ended on December 27, 2024 at 05.00 Pm (IST).

During the financial year 2024-25, Mr. Ambalal C. Patel (DIN: 00037870), Non-executive Independent Director has resigned w.e.f Closure of Business hours as on September 27, 2024 due to completion of his tenure as an Independent Director of the company.

During the financial year 2024-25, Mr. Shrikant Jhaveri (DIN: 02833725), Non-executive Independent Director has resigned w.e.f Closure of Business hours as on September 27, 2024 due to completion of his tenure as an Independent Director of the company.

During the financial year 2023-24, Shri Piyush Chandarana (DIN: 08675864) has resigned from the post of Whole Time Director of the company w.e.f. MAY 25, 2024 due to personal reasons.

During the Financial year 2024-25, Shri Sujalkumar Ashokkumar Shah (DIN: 01431407), has resigned from the post of Whole Time Director of the company w.e.f. April 9, 2024 due to personal reasons.

Except above there were no other changes in respect of constitution of Board of Directors of the company during the financial year 2024-25.

KEY MANAGERIAL PERSON:

During the year under review, Shri Vinay Kumar Mishra (M. No.: F11464), has resigned from the post of Company Secretary and Compliance Officer (key Managerial Person) w.e.f. July 24, 2024 due to personal reasons and Smt. Radhika P. Soni (M. No.: A64410), was appointed w.e.f. 18th March, 2025 on the position of Company Secretary & Compliance Officer (Key Managerial Person) of the Company in terms of Section 203 of Companies Act, 2013 and regulation 6(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

Except above there were no other changes in respect of appointment and resignation of Key managerial Persons of the company.

MEETINGS OF THE BOARD AND COMMITTEES

During the year under review, total Seven (07) meetings of Board of Directors were held on the following dates 11th May, 2024, 30th May, 2024, 29th June, 2024, 09th August, 2024, 12th November, 2024, 12th February, 2025 and 18th March, 2025. Details of meetings are given in the Corporate Governance Report annexed herewith as **Annexure – 5** and forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director of the Company confirming that he/she met with the criteria of independence as laid out in sub-section (6) of Section 149 read with schedule IV of the Companies Act, 2013 and under regulation 16(1)(b) and 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. In the opinion of the Board, the Independent Directors fulfill the criteria of independence as provided under the Act, Rules made thereunder read with applicable provisions of the Listing Regulations, and they are independent of the management and also possess requisite qualifications, experience, and expertise and hold highest standards of integrity. The report on Corporate Governance which is forming part of the Annual Report contains the disclosure regarding the skills, expertise, competence and proficiency possessed by the Directors. Further, there has been no change in the circumstances affecting their status as Independent Directors of the Company. The Board has taken on record the declarations of the Independent Directors, after undertaking due assessment of the veracity of the same.

BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Company follows diverse Board structure.

BOARD EVALUATION

As per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the formal annual evaluation was carried out for the Board's own performance, its committee & Individual directors. The manner and detail in which evaluation was carried out is stated in the Corporate Governance Report which is herewith as **Annexure – 5** and forms a part of this report.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

CORPORATE GOVERNANCE REPORT

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended 31st March, 2025, as per regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 is enclosed herewith as **Annexure – 5** and forms part of this Report.

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

As required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are separately provided in the annexure to this report as **Annexure -1**.

RISK MANAGEMENT

The Company had put in place an enterprise wide risk management framework. This holistic approach provides the assurance that, to the best of its capabilities, the Company identifies, assesses and mitigates risks that could materially impact its performance in achieving the stated objectives. The Audit committee ensures that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities. The Committee reviews strategic decisions of the Company and on regular basis, reviews the Company's portfolio of risks and considers it against the Company's Risk Appetite. The Committee also recommends changes to the Risk Management Technique and / or associated frameworks, processes and practices of the Company.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has put in place a Whistle Blower Policy and has implemented a Vigil Mechanism, whereby employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance of code of conduct to the Company. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the company for the financial year 2024-25 based on the Calculation of average net profit under Section 198 and rules made thereunder. Hence, no amount required to be spent on CSR activities during the financial year 2024-25 and the details pursuant to Annual Report on CSR activities for the Financial Year 2024-25 is not required to provide to this report for the financial year 2024-25. The composition and other details of the CSR Committee is included in the Corporate Governance Report which form part of the Board's Report. The Board in its meeting held on 30th May, 2025, review/revised the existing CSR Policy of the company to harmonise with the amended carried out by the Ministry of Corporate Affairs in the Companies (CSR Policy Rules), 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

In Compliance with Sections 134(3) (c) and 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and hereby confirm the following:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2025 as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 is available on the Company's website at www.salsteel.co.in

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, a committee has been established at the offices for this purpose. There were no complaints pending for the Redressal at the beginning of the year and no complaints received during the financial year.

PARTICULARS OF THE EMPLOYEES

Information pursuant to rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **Annexure-2**. Further, particulars of employees remuneration, as prescribed under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not attached with this report since there was no employee who was in receipt of excess remuneration as prescribed.

RELATED PARTIES TRANSACTIONS

During the financial year, all transactions entered into with the Related Parties as defined under Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, were in the ordinary course of business and on an arm's length basis and as such did not attract provisions of section 188 (1) of Companies Act, 2013. The Company has formulated policy on related party transactions. Particular of related party transactions in prescribed Form AOC-2 is attached at **Annexure-3**. Approvals from the Audit Committee are obtained even for transactions which are in ordinary course of business and repetitive in nature. Further, on quarterly basis, disclosures are made to the Audit Committee and to the Board. Details of related party transactions are given in the notes to financial statements.

None of the Independent Directors have any pecuniary relationship with your Company.

DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements have been prepared in accordance with Indian Accounting Standards (IND AS). The Company has prepared these financial statements to comply in all material respects with the IND AS, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

AUDITORS AND AUDIT REPORTS

a. Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made there under M/s. Ashish Bhavsar & Associates, Cost Accountants were appointed for auditing cost accounting records of the Company for the year ending 31st March, 2025. Board has further appointed M/s. Ashish Bhavsar & Associates, Cost Accountants as Cost Auditors for the year ending 31st March, 2026 subject to approval of remuneration by the members of the Company in the Annual General Meeting.

Disclosure on maintenance of Cost Records

The Company made and maintained the Cost Records under Section 148 of the Companies Act, 2013 (18 of 2013) for the Financial Year 2024-25

b. Internal Auditor

The Company has appointed an Independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

c. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors has appointed M/s. Kamlesh Shah & Co., Practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for the term of Five (5) Financial Year Commencing from 2025-26 till Financial year 2029-30 subject to approval of members in their Meeting will be held on September 26, 2025. The report submitted by the Secretarial Auditor in Form MR-3 for the financial year ended as on 31st March, 2025 is attached to this report as **Annexure-4**. Remarks of secretarial auditor are self-explanatory.

Annual Secretarial Compliance Report

Pursuant to regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, Secretarial Compliance Report for the financial year ended 31st March, 2025 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s. Kamlesh Shah & Co., Practicing Company Secretaries, Secretarial Auditor.

Certificate on Corporate Governance

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended 31st March, 2025, as per regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. The requisite Certificate from the Practicing Company Secretary of the Company confirming compliance with the conditions of Corporate Governance is annexed to this report as **Annexure - 6**.

Certificate of Non-Disqualification of Directors

As required by Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, the Company has received a certificate from M/s. Kamlesh M. Shah & Co. (ACS: 8356, COP: 2072), Practicing Company Secretaries certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India or Ministry of Corporate Affairs or such other statutory authority is annexed to this report as **Annexure-7**.

d. Statutory Auditors

Members have at their 19th Annual General Meeting held on September 23, 2022, approved the re-appointment of M/s. Parikh & Majmudar, Chartered Accountants, as statutory auditors of the for a terms of five years as per provisions of the Companies Act, 2013.

Statutory Auditors' Report

The observations of Statutory Auditor in its reports on standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

Details in respect of frauds reported by auditors

There were no instances of fraud reported by the auditors. Further, there are no Qualifications, reservations or adverse remarks contain in the Auditor's Report for the year under review.

MATERIAL CHANGES / INFORMATION

- a. In respect of material changes or commitments during the financial year 2024-25, company has issued 48,00,000 Warrants Convertible into 48,00,000 Fully paid up Equity Shares of ₹10/- each at a price not less than ₹25/-(Includes Premium of ₹15/-) to the promoter allottee (SAL CARE Private Limited) on a preferential basis as on 29th June, 2024 approved by Special Resolution passed at Extra ordinary General Meeting was held through Video Conference("VC") and /or other audio visual means("OAVM") (Hereinafter Referred to as "Electronic Mode") on Saturday, 08th June, 2024. Except these there have been no material changes or commitments after the closure of the financial year up to the date of this report that may have substantial effect on the business and financial of the Company.
- b. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies operations in future.

ANNUAL RETURN

Annual Return in Form MGT-7 in compliance with section 92 of the Companies Act, 2013 read with applicable rules made thereunder is available at the website of the Company i.e. www.salsteel.co.in.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2024-25.
- There was no instance of onetime settlement with any Bank or Financial Institution during the Financial Year 2024-25.

APPRECIATION

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions, Banks and ARCs during the year. Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

CAUTIONARY STATEMENT

Statement in the Board's Report and the Management Discussion and Analysis describing your Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling price of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations

By order of the Board of Directors
For **SAL Steel Limited**

Place : Santej, Gujarat
Date : 14th August, 2025

Registered Office:
5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006
CIN: L29199GJ2003PLC043148

Sd/-
Rajendrakumar Shah
Chairman
DIN: 00020904

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

(Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2025)

A. CONSERVATION OF ENERGY
(a) Energy conservation measures taken:

Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/Consumption and its effective utilization.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:-

Your Company is highly power intensive industry and power is the basic requirements of manufacturing process. In order to reduce the cost per unit for power consumption, the Company has installed 40 MW Captive Power Plant.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The company is operating 40 MW Captive Power Plant in parallel with GETCO Grid and with the consumption of own power, Company saves substantial amount from the same.

(d) Total energy consumption and energy consumption per unit of production:

(₹ in lacs)

Particulars of Product		2024-25	2023-24
(I)	POWER & FUEL CONSUMPTION		
1	ELECTRICITY		
	(a) Purchased		
	Unit (Kwh)	5014800	9151670
	Total Amount (₹)	727.88	1189.34
	Rate / Unit (₹)	14.51	13.00
	(b) Own Generation		
	(i) Through Diesel Generator Unit (Kwh)		
	Unit Per Ltr of Diesel Oil	Nil	Nil
	Cost / Unit (₹)	Nil	Nil
	(ii) Through Steam Turbine / Generator Unit (Kwh)	72510000	92525341
	Unit Per Kg of Lignite		
	Cost Lignite / Unit (₹)	6.26	4.71
	Cost Coal / Unit (₹)	--	--
	Cost Coal & Lignite / Unit (₹)	6.26	4.71
2	COAL (Including Coal Fines)		
	Quantity (MT)	58937	130335
	Total Cost (₹)	2418.69	5270.94
	Average Rate (₹)	4104	4044
3	FURNACE OIL		
	(used in the generation of power)		
	Quantity (K Ltr)	Nil	Nil
	Total Cost (₹)	Nil	Nil
	Average Rate (₹)	Nil	Nil
4	OTHERS – LIGNITE		
	(used in the generation of steam)		
	Quantity (K Tonns)	Nil	Nil
	Total Cost (₹)	Nil	Nil
	Average Rate (₹)	Nil	Nil

Particulars of Product		2024-25	2023-24
(II)	CONSUMPTION PER M.T. OF PRODUCTION		
	Particulars of Product		
	Electricity (in Unit)	Nil	Nil
	Furnace Oil	Nil	Nil
	Coal (Specify quantity)	Nil	Nil
	Others	Nil	Nil

B. TECHNOLOGY ABSORPTION

(I) Research and Development (R & D)

(₹ in lacs)

Particulars	2024-25	2023-24
1. Specific areas in which R&D carried out by the company.	Nil	Nil
2. Benefits derived as a result of the above R&D	Nil	Nil
3. Future plan of action:	Nil	Nil
a. Capital	Nil	Nil
b. Recurring	Nil	Nil
c. Total		
d. Total R&D expenditure as a percentage of total turnover	Nil	Nil

(II) Technology absorption, adaptation:

(₹ in lacs)

Particulars	2024-25	2023-24
Company has not carried out research, development & innovation activities.		
1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil	Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	Nil	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Nil	Nil
a. Technology imported		
b. Year of import		
c. Has technology has been fully absorbed		
d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.		

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lacs)

Particulars	2024-25	2023-24
1. FOREIGN EXCHANGE EARNINGS & OUTGO		
a. Foreign Exchange earnings	NIL	748.04
b. Foreign Exchange outgo	NIL	167.83
2. TOTAL FOREIGN EXCHANGE USED AND EARNED		
As per notes on account		

For and on behalf of the Board of Directors of
For **SAL Steel Limited**

Place : Santej, Gujarat
Date : 14th August, 2025

Registered Office:

5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006
CIN: L29199GJ2003PLC043148

Sd/-
Rajendrakumar Shah
Chairman
DIN: 00020904

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

I.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:			
Sr. no.	Name of director / KMP	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2024-25	% increase / (decrease) in remuneration in the FY 2024-25
a)	Shri Sujal Shah	Whole Time Director	0.05:1	Not applicable
b)	Shri Babulal Singhal	Whole Time Director cum CFO	2.77:1	Not applicable-
c)	Shri Mrinal Sinha	Whole-time Director	2.40:1	Not applicable
d)	Shri Piyush Chandarana	Whole Time Director	0.75:1	Not applicable
e)	Smt. Radhika P. Soni	Company Secretary	Not applicable	Not applicable
f)	Shri Vinay Kumar Mishra	Company Secretary	1.73:1	Not applicable

II.	The percentage increase in the median remuneration of employees in the financial year:	12.59%
III.	The number of permanent employees on the rolls of company:	282
IV.	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 of there are any exceptional circumstances for increase in the managerial remuneration;	During the year under review, the average annual increase in the salaries of employees other than the managerial personnel was 12.82% and that of decrease in managerial personnel was 45.41%. Further, there were no exceptional circumstances for increase/decrease in the remuneration.
V.	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013

B. Statement showing particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Since the remuneration paid to any of the employees does not exceeds the limits specified under the provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Rules, therefore disclosure requirements regarding the details of employee remuneration are not applicable to the Company.

For and on behalf of the Board of Directors of
For **SAL Steel Limited**

Place : Santej, Gujarat
Date : 14th August, 2025

Registered Office:
5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006
CIN: L29199GJ2003PLC043148

Sd/-
Rajendrakumar Shah
Chairman
DIN: 00020904

FORM NO. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section

(1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTION UNDER THIRD PROVISIO THERETO.

1	Details of contracts or arrangements or transactions not at arm's length basis							
	Name (s) of the related party	Nature of transaction	Duration of the transaction	Salient terms of the transaction	Justification for transactions'	Date of approval by the Board	Amount paid as advances	Date of special resolution
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party	Nature of relationship	Nature of transaction	Duration of the transaction	Transactions value (in ₹)	Date of approval by the Board	Amount paid as advances
	Shah Alloys Limited	Promoter Company	Sale of Power	April 2024-March 2025	3,95,01,562	These RPTs are in the ordinary course of business and are at arms' length basis and are approved by the Audit Committee and the Board in their meeting held on 29th May, 2024 these are reported to the Audit Committee / Board at their quarterly meetings.	N.A.
			Sale of material & services		67,46,35,185		
			Purchase of material & services		11,00,31,458		

FORM NO. MR-3

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]

To,
The Members,
S A L STEEL LIMITED
CIN: L29199GJ2003PLC043148

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **S A L STEEL LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the records of **S A L STEEL LIMITED**, 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/We hereby report that in my/our opinion, the company has, during the audit period covering **the financial year ended on 31st March 2025** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by **S A L STEEL LIMITED (CIN: L29199GJ2003PLC043148)** for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under; subject to our observations in this report.
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW).**
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011; The Annual Disclosure of shareholding by Promoters/ Directors as per Regulation 31(4) is made for the year under review. However, the company may make such disclosure through System Driven Disclosure to be maintained by Depositories with whom the company is to sign agreements.

COMPLIED WITH ANNUAL DISCLOSURE OF SHAREHOLDING AS PER SEBI (SAST) REGULATIONS

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Company has installed a Structural Digital Database Software in a computer system with password protection for access and making entries therein. The company has made all entries therein for all the UPSI Sharing with Directors, Promoters, KMP, all other professional persons and persons who are deemed to have access to such UPSI from time to time during the year under. The Company has filed Compliance Certificate on a quarterly basis to the stock exchange in time.
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time; **(During the year the Company has made preferential allotment of 48,00,000 Convertible Equity Warrants of face value of Rs. 10/- each for cash at a price of Rs. 25/- (Inclusive of premium of Rs. 15/- per warrant/ Share) aggregating up to Rs. 12 crores to the promoters on a Private and preferential Placement Basis with an option to convert and subscribe to one equity share per warrant at a price of Rs. 25/- (Inclusive of premium of Rs. 15/- per share), by passing a special resolution in an EOGM held through VC/OAVM on 8th June 2024) All these warrants are allotted on 29/06/2024 pursuant to approval of Stock Exchanges BSE and NSE Limited and are listed on both the exchanges.)**

- (d) Securities And Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(NO ESOS OR ESOPS WERE ISSUED DURING THE YEAR UNDER REVIEW)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. The Company is submitting on quarterly basis Certificate/ Confirmation u/r. 74(5) of SEBI (Depositories and Participants) Regulations and Annual Confirmation/ Certificate from RTA signed by Company also as per Regulation 7(3) of SEBI (LODR) 2015.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended up to the date is complied subject to our observations in Annexure-B Attached herewith. **The Stock exchanges BSE and NSE have imposed financial penalties on Company and also issued certain advisory warnings to company complete details are given in Annexure-B Attached.**
- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.
- (vii) Except what is stated herein above, No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, Listing Regulations etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and /or any amendment, substation, if any, applicable to the company are adopted by the Company and are complied with.
- (ii) The secured loans/ borrowings made by company for following charges/ mortgages created by the Company are fully repaid and satisfied however, the management is in process to obtain satisfaction letter/account closure certificates from charge holders and file form CHG-4 with Ministry of Corporate Affairs. The Company has also taken up the matter with Registrar of Companies, Gujarat State for Removal of these charges from its Register as they are satisfied well before 10 years. The Mater is also actively considered by the ROC but final decision of the Regulatory authorities is yet to be confirmed/ awaited.

Charge ID	Date of Creation/ Last Modification	Name of Beneficiary	Amount of charge.	Actual date of Full Repayment
10333322	20/01/2012	HDFC Bank Ltd	33,00,000/-	01/05/2014
10310289	15/09/2011	Srei Equipment Finance Ltd	45,00,000/-	01/05/2015
10154901	31/03/2009	Union Bank of India	12,35,000/-	12/09/2011

- (iii) The Previous Company Secretary Mr. Vinay Mishra had resigned w.e.f. 24/07/2024. The New Company Secretary Mrs. Radhika Parth Soni has been appointed w.e.f. 18/03/2025. Hence, there is a violation of Section 205 read with Rule 9 of the Companies (Appointment and Qualification of Managerial Personnel) Rules 2014 for the period from 23/01/2025 to 18/03/2025.
- (iv) The Listing Agreements entered into by the Company with Stock Exchanges and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **subject to our observations in Annexure-B Attached.**

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The board of directors of the company was not duly constituted with proper balance of executive directors, non-executive directors, independent directors, and woman director.

- (a) During the year the Company as per Regulation 17(1) of SEBI (LODR) 2015 was required to appoint minimum 6 directors. During the year it had not 6 directors for the period for 3 days in September 2024 quarter and for the entire December quarter. The stock exchanges have imposed penalties for this default complete details are given in **Annexure-B**.

The changes in the composition of the board of directors or the KMP that took place during the period under review were carried out in compliance with the provisions of the act and with intimation to stock exchanges(s).

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

In respect of Voting by directors at the Board Meetings is concerned, there does not exist within the company a system of Electronic Voting or Paper voting by directors on each business of Agenda for each of the Board Meetings. Majority decisions are taken on ORAL Voting basis. However, the Company does send draft minutes to its directors for their comments. All the comments of directors received are reviewed by the Chairman and finalized considering such suggestions/ comments of directors. Ane specific comments or observations of any directors are recorded in the minutes at the specific request of particular directors with their names.

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 compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has not incurred any specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, etc.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries

Kamlesh M. Shah
(Proprietor)

ACS: 8356, COP: 2072
Peer Review Regn.No: 6438/2025
Valid up to 28/02/2030

Place: Ahmedabad
Date: 26th May, 2025
UDIN: A008356G000436190

ANNEXURE-A**Securities Laws**

1. All Price Sensitive Information were informed to the stock exchanges from time to time as per Regulation 30 of the SEBI (LODR) 2015
2. All investors complain directly received by the RTA and Company is recorded on the same date of receipts and all are resolved within reasonable time. The Company files Status of Investors Complaints as per Regulation 13 on quarterly basis with Stock Exchange regularly.
3. Other SEBI (SAST) Regulations, SEBI (PIT) Regulations, SEBI (LODR) Regulations and other regulations as are applicable are complied with subject to our observation in this report.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments as provisions of Child & Adolescent Labour (Prohibition & Regulation) Act, 1986.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are applicable to Company and Complied with.
4. *The Company has yet not filed an annual return under provisions of POSH with District Collector for the year under review.*

Environmental Laws

As per the Management representation, the company is engaged in the manufacturing activities, the environmental laws as are applicable to it and it has properly complied with such provisions to the extent applicable.

Taxation Laws

We are informed by the management that the company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments. We have relied upon management representation and observations of internal auditors in this matter.

Other Industry Specific Act/ Laws/ Rules/ Regulations:

The Company does not use any Minerals or Iron Ore or such other materials which are under the control and regulations of specific Law related authorities under the Mines Act and such other Steel Industry Related Act, laws or Rules Regulations etc are not applicable to the Company.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries

Kamlesh M. Shah
(Proprietor)

ACS: 8356, COP: 2072
Peer Review Regn.No: 6438/2025
Valid up to 28/02/2030

Place: Ahmedabad
Date: 26th May, 2025
UDIN: A008356G000436190

**ANNEXURE-B
TO FORM MR-3**

SECRETARIAL AUDIT REPORT

OF SAL STEEL LIMITED

FOR THE YEAR ENDED 31/03/2025.

(A) PLEASE REFER TO PARA (V) (I) OF THE SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31/03/2025

Details of Violations/ non-compliance by the Company required to be complied with as per SEBI (LODR) 2015.

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory / Clarification/ Fine/ Show Cause Notice/ Warning etc	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary (PCS)	Management Response	Remarks
(1)	Regulation 17(1) Minimum Directors required was 6 instead the company had 5 directors for the period of 3 days in September 2024 Quarter	Regulation 17(1)	Non Compliance for 3 days in a quarter	Fine imposed	Fine	Non Compliance with SEBI (LODR) Regulation 17(1) for not having minimum of 6 directors	Rs. 15000/- + GST of Rs. 2700/- Total Rs. 17700/-	Fine is paid by Company to both exchange BSE and NSE.	Fine Waiver application is made on 20/12/2024 however fine is also paid. Waiting for Final decision of Exchange for Waiver.	Promoters Demat Accounts were frozen by Exchange and defrozeed after payment of penalty by company.
(2)	Regulation 17(1) Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	Regulation 17(1)	Non compliance for the quarter ended December 2024	Fine imposed by Exchange	Fine	Non Compliance with SEBI (LODR) Regulation 17(1) for not having minimum of 6 director	Fine Rs. 2,10,000/- + GST of Rs. 37,800/- total Rs. 2,47,800/-	Fine imposed by the Exchanges BSE and NSE. The Company has made application for waiver of penalty dated 25/03/2025 pending for approval by exchange BSE.	Fine waiver application made by company is yet to be approved/ confirmed/ accepted by BSE limited. Fine not yet paid by company.	Fine not yet paid o further action is taken by exchange pending disposal of waiver application
(3)	Notice by NSE for non Compliance of regulation 6(1) dated February 20,2025 for the quarter December 2024	Regulation 6(1)	Non Appointment of Company Secretary and Compliance Officer.	69 days Penalty imposed by Exchange.NSE	Fine	Non compliance with SEBI (LODR) Regulation 6(1) for not appointing Company Secretary cum compliance officer.	Fine Rs. 69,000/- + GST Rs. 12,420/- Total Rs. 81,420/-	Fine is imposed by the NSE which is paid by the Company on 28/02/2025	Fine Payment made by the Company to NSE Ltd.	NA

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory / Clarification/ Fine/ Show Cause Notice/ Warning etc	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary (PCS)	Management Response	Remarks
(4)	Notice by BSE for non Compliance of regulation 6(1) dated February 20,2025 for the quarter December 2024	Regulation 6(1)	Non Appointment of Company Secretary and Compliance Officer.	69 days Penalty imposed by Exchange BSE	Fine	Non compliance with SEBI (LODR) Regulation 6(1) for not appointing Company Secretary cum compliance officer.	Fine Rs. 69,000/- + GST Rs. 12,420/- Total Rs. 81,420/-	Fine is imposed by the BSE which is paid by the Company on 28/02/2025	Fine Payment made by the Company to NSE Ltd.	NA
(5)	Regulation 23(9) for quarter ended September 2024	Regulation 23(9)	Late submission of XBRL File for Related Party transaction by one day	1 day delay due to system failure.	Fine	Delayed submission of Related party Transactions by one day.	Fine Rs. 5000/- +Gst 900/- Total Rs. 5900/- imposed by BSE and NSE Both Exchange.	Fine is imposed by the BSE and NSE both exchange which is paid by the Company on 21/12/2024 to BSE and NSE	Fine payment made by the Company to both Exchanges.	NA
(6)	Warning Letter issued by NSE dated 19/11/2024	Regulation 23(9)	PAN number of parties and counter parties mentioned in RPT Reporting.	Advised for not to disclose the PAN numbers information of parties in any other public documents made/ submitted to exchange.	Warning letter issued	PAN information of Parties to the related party transactions were disclosed by the company	Warning Letter issued.	Warning letter issued by Exchange explained to Management for future compliance.	Advisory of Exchange noted for future compliance.	NA
(7)	SEBI issued a warning Letter for entering in to RPT without obtaining prior approval of Shareholders of the Company for Materially related party Shah Alloys Ltd who is promoter of the company for transactions entered during half year ended September 2023	Regulation 23(1)	Related Party Transaction with Materially related party transaction without prior approval of Shareholder exceeding 10% under Reg.23(1)	Warning Letter issued by SEBI U/r 23(4).	Warning Letter	Company had entered in to Related Party Transaction with its promoter M/s. Shah Alloys Ltd for an amount exceeding 10% threshold without obtaining prior approval of shareholders.	Warning letter was issued by SEBI	Warning letter issued by SEBI is noted for future compliance.	No Fine is imposed. Advisory issued by SEBI is noted for future compliance.	NA.

ANNEXURE-C

To
The Members,
S A L STEEL LIMITED
CIN: L29199GJ2003PLC043148
5/1 SHREEJI HOUSE 5TH FLOOR
B/H M J LIBRARY ASHRAM ROAD AHMEDABAD 380006 GUJARAT INDIA

Our report of even date in respect of the financial year ended 31/03/2025 is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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 corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries

Kamlesh M. Shah
(Proprietor)

ACS: 8356, COP: 2072

Peer Review Regn.No: 6438/2025

Valid up to 28/02/2030

Place: Ahmedabad
Date: 26th May, 2025
UDIN: A008356G000436190

CORPORATE GOVERNANCE REPORT

Detailed report on Corporate Governance for the financial year ended 31st March, 2025, as per regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company implements and practices the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability consistently being followed in all its business practices and dealings. The Company is committed to observe good governance by focusing on adequate & timely disclosures, transparent & robust accounting policies, strong & independent Board and endeavors to maximize shareholders benefit.

2. BOARD OF DIRECTORS:

A. Composition:

As on 31st March, 2025, the composition of the Board of Directors of the Company was as follows:

Sr. No.	Name of Director	Category
1	Shri Rajendra V. Shah	Promoter Non- Executive Chairman
2	Shri Babulal M. Singhal	Non Promoter Whole time Director
3	Shri Mrinal Sinha (Appointed w.e.f. 12.11.2024)	Non Promoter Whole time Director
4	Smt. Shefali M. Patel	Non – Executive & Independent Director
5	Shri Mitesh V. jariwala	Non-Executive & Independent Director
6	Shri Bipinbhai A Gosalia	Non-Executive & Independent Director
7	Smt. Nipa Jairaj Shah (Appointed w.e.f. 12.11.2024)	Non- Executive & Independent Director

B. Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting (AGM):

Sr. No.	Name of Directors	Attendance in Board Meeting							Attendance in AGM
		11.05.2024	30.05.2024	29.06.2024	09.08.2024	12.11.2024	12.02.2025	18.03.2025	
1	Shri Rajendra V. Shah	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Shri Babulal M. Singhal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Shri Mrinal Sinha	NA	NA	NA	NA	NA	Yes	Yes	NA
4	Shri Piyush Chandarana	Yes	NA	NA	NA	NA	NA	NA	NA
5	Shri Ambalal C. Patel	Yes	Yes	Yes	Yes	NA	NA	NA	Yes
6	Shri Shrikant Jhaveri	Yes	Yes	Yes	Yes	NA	NA	NA	Yes
7	Smt. Shefali M Patel	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Shri Mitesh V. jariwala	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Shri Bipin A. Gosalia	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Smt. Nipa Jairaj Shah	NA	NA	NA	NA	NA	Yes	Yes	NA

Yes – Attended, No – Not Attended, N.A. – Not Applicable

C. Number of other Board of Directors or Committees in which a Director is a member or chairperson as on 31st March, 2025:

Sr. No.	Name of Director	Directorships in other Board of Directors	Membership* of Committees of Other Boards	Chairmanship* of Committees of Other Boards
1	Shri Rajendra V. Shah	1	2	-
2	Shri Babulal M. Singhal	-	-	-
3	Shri Mrinal Sinha	-	-	-
4	Smt. Shefali M. Patel	4	3	3
5	Shri Bipinbhai A Gosalia	1	-	-
6	Shri Mitesh V Jariwala	2	-	-
7	Smt. Nipa Jairaj Shah	-	-	-

**Chairmanship and Membership of Audit Committee and Stakeholders' Relationship Committee have been considered pursuant to regulation 26(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.*

None of the Directors holds chairpersonship of the Board Committees in excess of the maximum ceiling of five and membership in excess of the maximum ceiling of ten, as specified under Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. No Director of the Company is related to any other director on the Board.

None of the Independent Directors serves as a Whole-time Director/Managing Director in any other listed company. Further, none of the Non-Executive Director of the Company, holds Directorship/Independent Directorship in more than seven listed companies and the Executive Directors of the Company does not hold Independent Directorship in any listed companies as provided under Regulation 17A of SEBI (LODR) Regulations, 2015.

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive directors to ensure the independence of the Board and to separate the board functions of governance and management. As on 31st March, 2025 the Board comprises of total Seven (07) Directors out of which two (2) are Executive Directors, five (04) are Non-Executive Independent Directors and the Chairman of the Board is Non-executive and Non-Independent Director.

Names of the listed entities where the person is a director and the category of directorship as on 31st March, 2025:

Sr. No.	Name of Director	Directorship(s) in other listed entities	Category of Director
1	Shri Rajendra V. Shah	Shah Alloys Limited	Non- Executive Non-Independent Chairman
3	Shri Babulal M. Singhal	-	Executive Director
4	Shri Mrinal Sinha	-	Executive Director
6	Smt. Shefali M. Patel	-Shah Alloys Limited -Sadbhav Engineering Limited -Sadbhav Infrastructure Project Limited -Sadbhav Gadag Highway Private Limited	Non – Executive & Independent Director
8	Shri Bipinbhai A. Gosalia	Shah Alloys Limited	Non-Executive –Independent Director
9	Shri Mitesh V. Jariwala	-Shah Alloys Limited -Vimal Oil & Foods Limited	Non-Executive Independent Director
7	Smt. Nipa Jairaj Shah	-	Non-Executive Independent Director

D. Number of Meetings of the Board of Directors and dates on which the said Board Meetings were held:

During the financial year 2024-25, Seven (07) Board Meetings were held. The dates on which these Meetings were held are given in the Table hereinabove.

E. Disclosure of relationships between directors inter-se: None of the Directors are related to each other.

F. Independent Directors' Meeting:

Independent Directors met on 12.02.2025 without presence of Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board.

G. Shareholding of Non-Executive Directors:

As on 31st March, 2025, none of the Non-Executive Directors hold any equity shares in the Company. None of the other Non-Executive Directors hold any equity shares in the Company. However, during the year 2024-25, Shri Ambalal C. Patel, Independent Director of the Company held 89,000 shares in the equity share capital of the Company who was resigned as on 27th September, 2024 due to Completion of his tenure as Independent Director in the Company.

H. Details of Familiarisation Programmes Imparted to Independent Directors

Pursuant to regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company has familiarized the Independent Directors through various programs about the Company. During the financial year, senior management team has from time to time made presentations to Directors giving an overview of the Company's operations, function, strategy and risk management plan of the Company.

Details of familiarization programs extended to the Independent Directors are also disclosed on the Company website from time to time at: [http:// www.salsteel.co.in/policies/4.%20Familiarization%20Policy%20-%20Independent%20Director.pdf](http://www.salsteel.co.in/policies/4.%20Familiarization%20Policy%20-%20Independent%20Director.pdf)

3. COMMITTEES OF THE BOARD

The Board has constituted various Committees to focus on specific areas and to make informed decisions within their authority. Each Committee is governed by its Charter which outlines the scope, roles, responsibilities and powers. All the decisions and recommendations of the Committee are placed before the Board for its approval.

The various Board level Committees are as under:

A. AUDIT COMMITTEE:

The composition and terms of reference of the Audit Committee are in compliance with the provisions of Section 177 of the Act and , Regulation 18 of the Listing Regulations and regulation 9A(4) of SEBI (PIT) Regulations, 2015. The composition of Committee is given in this Report.

Terms of Reference of the Committee inter alia include the following:

- a) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing regulations and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. modified opinion(s) in the draft audit report;
- e) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated

in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institution placement, and making appropriate recommendations to the board to take up steps in this matter;

- g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) approval or any subsequent modification of transactions of the Company with related parties;
- i) scrutiny of inter-corporate loans and investments;
- j) valuation of undertakings or assets of the Company, wherever it is necessary;
- k) evaluation of internal financial controls and risk management systems;
- l) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) discussion with internal auditors of any significant findings and follow up there on;
- o) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) to review the functioning of the whistle blower mechanism;
- s) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in terms of reference of the Committee;
- u) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date; and
- v) review compliance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

Further, the Audit Committee mandatorily reviews the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) internal audit reports relating to internal control weaknesses; and
- d) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Committee.
- e) statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of Listing Regulations

Further, in terms of the provisions of Section 177 of the Act and applicable Rules made thereunder, the terms of reference for the Audit Committee also include:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.

Composition:

The Audit Committee comprises of three (3) non-executive Directors as on 31st March, 2025. All the Members of Audit Committee are Independent Directors. During the period under review, five (5) Audit Committee meetings were held on 11th May, 2024, 30th May, 2024, 09th August, 2024, 12th November, 2024 and 12th February, 2025.

Sr. No.	Name of the Members	Date-wise attendance of Audit Committee Meeting during the F.Y. 2024-25				
		11.05.2024	30.05.2024	09.08.2024	12.11.2024	12.02.2025
1.	Shri Shrikant N. Jhaveri (Chairman) Resigned w.e.f. 27.09.2024	Yes	Yes	Yes	NA	NA
2.	Shri Ambalal C. Patel (Resigned w.e.f. 27.09.2024)	Yes	Yes	Yes	NA	NA
3.	Smt. Shefali Patel	Yes	Yes	Yes	Yes	Yes
4.	Shri Mitesh V. Jariwala, Chairman (Appointed w.e.f. 28.09.2024)	NA	NA	NA	Yes	Yes
5.	Shri Bipin A. Gosalia (Appointed w.e.f.28.09.2024)	NA	NA	NA	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

Committee invites such of the executives, particularly the head of the Finance Function, representatives of the Statutory Auditors and Internal Auditors and any such other executives, as it considers appropriate, to be present at the meetings. All Committee Members are financially literate and have accounting and financial management expertise.

The Company Secretary of the Company acts as the secretary of the Committee.

During the year under review, Due to resignation of Shri Shrikant Jhaveri, Chairman and Shri Ambalal C. Patel, Member from chairmanship and membership of Audit Committee w.e.f. close of business hours September 27, 2024 due to completion of term as Independent Director, The Board of directors of the company, on recommendation of nomination and remuneration committee inducted Shri Bipin A. Gosalia as a Chairman of Audit Committee and Shri Mitesh V. Jariwal as Member of Audit Committee w.e.f. September 28, 2024. Thereafter, Shri Mitesh V. Jariwala appointed as Chairman of Audit Committee w.e.f. 18th March, 2025 as Shri Bipin Gosalia informed about his inability to attend the upcoming meetings of the company due to his personal reason.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on September 27, 2024 to answer the queries of the shareholders.

B. NOMINATION AND REMUNERATION COMMITTEE:

The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The composition of Committee is given in this Report. Terms of reference of the Committee inter alia include the following:

- i. identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

- ii. shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- iii. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- iv. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- v. devising a policy on diversity of board of directors;
- vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vii. recommend to the Board, all remuneration, in whatever form, payable to Senior Management

Composition:

The Nomination and Remuneration Committee comprises of three Independent Non-Executive Directors as on March, 31, 2025, further all Members of Nomination and Remuneration Committee are Independent Directors.

During the period under review, Five (5) meetings of Nomination and Remuneration Committee were held on 30th May, 2024, 09th August, 2024, 12th November, 2024, 12th February, 2025 and 18th March, 2025.

Sr. No.	Name of the Members	Date-wise attendance of Nomination and Remuneration Committee Meeting during the F.Y. 2024-25				
		30.05.2024	09.08.2024	12.11.2024	12.02.2024	18.03.2025
1.	Shri Shrikant N. Jhaveri (Chairman) Resigned w.e.f. 27.09.2024	Yes	Yes	NA	NA	NA
2.	Shri Ambalal C. Patel Resigned w.e.f. 27.09.2024	Yes	Yes	NA	NA	NA
3.	Shri Mitesh V. Jariwala (Chairman) appointed W.e.f. 28.09.2024	NA	NA	Yes	Yes	Yes
4.	Shri Bipin A. Gosalia Appointed w.e.f.28.09.2024	NA	NA	Yes	Yes	No
5.	Smt. Shefali M. Patel Appointed w.e.f.13.05.2024	Yes	Yes	Yes	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary of the Company acts as the secretary of the Company.

During the year under review, Due to resignation of Shri Shrikant Jhaveri, Chairman and Shri Ambalal C. Patel, Member from chairmanship and membership of Nomination and Remuneration Committee w.e.f. close of business hours September 27, 2024 due to completion of term as Independent Director, The Board of directors of the company, on recommendation of nomination and remuneration committee inducted Shri Bipin A. Gosalia as a Chairman of Nomination & Remuneration Committee and Shri Mitesh V. Jariwal as Member of the said Committee w.e.f. September 28, 2024. Thereafter, Shri Mitesh V. Jariwala appointed as Chairman of Nomination & remuneration Committee w.e.f. 18th March, 2025 as Shri Bipin Gosalia informed about his inability to attend the upcoming meetings of the company due to his personal reason.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on September 27, 2024 to answer the queries of the shareholders.

Board Evaluation

Pursuant to section 134 of the Companies Act, 2013, the Board is responsible for the formal Annual Evaluation of its own performance, of its committee & Individual Directors. Further, as per regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, performance evaluation of the Independent Directors shall be done by entire Board of Directors, excluding directors being evaluated.

During the year, Board in concurrence with Nomination & Remuneration Committee has laid down the evaluation criteria for itself, Committees, Chairperson, Executive and Non- Executive Directors and Independent Directors. The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of the Board of Directors.

The following broad parameters were considered to evaluate the performance of the independent Directors:

- Integrity, maintenance of high standard and confidentiality;
- Commitment and participation at the Board & Committee meetings;
- Effective deployment of knowledge and expertise;
- Exercise of independent judgment in the best interest of Company;
- Interpersonal relationships with other directors and management.

The following broad parameters were considered to evaluate the performance of the Board and Committees:

- Size, structure and expertise of the Board/Committees;
- Review of strategies, risk assessment, robustness of policies and procedures by Board;
- Oversight of the financial reporting process & monitoring Company's internal control system;
- Quality of agenda, conduct of meeting, procedures and process followed for effective discharge of functions;
- Effective discharge of functions and duties by Committee as per terms of reference;
- Appropriateness and timeliness of the updates given on regulatory developments;
- Board's engagement with senior management team.

Remuneration of Directors

- a. Pecuniary Relationship or Transactions of the Non-Executive Directors:

There were no pecuniary relationships or transactions of the Non-Executive Directors *vi- a-vis* the Company.

- b. Criteria for Making Payment to Non-Executive Directors:

Role of Non-Executive - Independent Directors of the Company is not just restricted to corporate governance or outlook of the Company but they also bring with them significant professional expertise and rich experience across the wide spectrum of functional areas. The Company seeks their expert advice on various matters from time to time. Hence, the compensation to the Non-Executive - Independent Directors is recommended.

- c. Compensation/Fees Paid to Non-Executive Directors:

Non-Executive Independent Directors were paid sitting fees for attending the Board and Committee Meetings.

- d. Details of Remunerations:

Details of remuneration and sitting fees paid or provided to all the directors during the year ended 31st March, 2025 are as under:

Name of Director	Sitting Fees (₹)	Salaries & Perquisites (₹)	Commission (₹)	Total (₹)
Shri Rajendra Shah	Nil	Nil	Nil	Nil
Shri Sujal Shah	Nil	11077	Nil	11077
Shri Babulal Singhal	Nil	672000	Nil	672000
Shri Mrinal Sinha	Nil	581730	Nil	581730
Shri Piyush Chandarana	Nil	181623	NIL	181623
Shri Ambalal Patel	70000	Nil	Nil	70000
Shri Shrikant Jhaveri	70000	Nil	Nil	70000
Smt. Shefali Patel	120000	Nil	Nil	120000
Shri Bipin A. Gosalia	80000	Nil	Nil	80000
Shri Mitesh V. Jariwala	90000	Nil	Nil	90000
Smt. Nipa Jairaj Shah	20000	Nil	Nil	20000

Particulars of Directors, senior management or KPMs and changes there in during the year under Review:

During the financial year 2024-25, the Board has appointed Shri Mrinal Sinha (DIN: 09482143), as Additional Director designated as Whole-time Director w.e.f. November 12, 2024. Subsequently, he was appointed as Whole Time Director of the Company by way of Ordinary Resolution passed by the members of the company through Postal Ballot on Friday 27th December, 2024 through Remote E-Voting commenced from 28th November, 2024 at 09.00 AM (IST) and ended on Friday, 27th December, 2024 at 05.00 PM (IST) for the period of Five (05) consecutive years commencing from November 12, 2024 up to November 11, 2029 liable to retire by rotation.

During the financial year 2024-25, the Board has appointed Smt. Nipa Jairaj Shah (DIN: 10833814), as Additional Director (Non-Executive, Independent) subject to the approval and regularization of his appointment by the members of the company in the next general meeting or within a time period of 3 Months from the date of appointment, whichever is earlier, as non-executive Independent Director of the company to hold office for a term of 5(Five) consecutive years w.e.f. November 12, 2024. Subsequently, she was appointed as Non-executive Independent Director of the Company by way of Special Resolution passed by the members of the company through postal ballot (meeting Sr. No. 01/PB/2024-25) on Friday, December 27, 2024 through remote e-voting commenced from November 28, 2024 at 09.00 AM (IST) and ended on December 27, 2024 at 05.00 Pm (IST).

During the financial year 2024-25, Mr. Ambalal C. Patel (DIN: 00037870), Non-executive Independent Director has resigned w.e.f Closure of Business hours as on September 27, 2024 due to completion of his tenure as an Independent Director of the company.

During the financial year 2024-25, Mr. Shrikant Jhaveri (DIN: 02833725), Non-executive Independent Director has resigned w.e.f Closure of Business hours as on September 27, 2024 due to completion of his tenure as an Independent Director of the company.

During the financial year 2023-24, Shri Piyush Chandarana (DIN: 08675864) has resigned from the post of Whole Time Director of the company w.e.f. MAY 25, 2024 due to personal reasons.

During the Financial year 2024-25, Shri Sujalkumar Ashokkumar Shah (DIN: 01431407), has resigned from the post of Whole Time Director of the company w.e.f. April 9, 2024 due to personal reasons.

During the year under review, Shri Vinay Kumar Mishra (M. No.: F11464), has resigned from the post of Company Secretary and Compliance Officer (key Managerial Person) w.e.f. July 24, 2024 due to personal reasons and Smt. Radhika P. Soni (M. No.: A64410), was appointed w.e.f. 18th March, 2025 on the position of Company Secretary & Compliance Officer (Key Managerial Person) of the Company in terms of Section 203 of Companies Act, 2013 and regulation 6(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The composition and terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. The composition of Committee is given in this Report. The Committee looks into redressing the stakeholders' grievances / complaints.

Terms of Reference:

The functions of Stakeholders Relationship Committee, inter alia, include the following:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.
- To review the measures taken for effective exercise of voting rights by shareholders.
- To review of adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

Composition:

The Stakeholders' Relationship Committee comprises of three independent Non-executive directors as on 31st March, 2025. All the Members of Stakeholder's Grievance Committee are Independent Directors. During the period under review, four (4) meetings of Stakeholder's Grievance Committee were held on 30th May, 2024, 09th August, 2024, 12th November, 2024 and 12th February, 2025. The attendance of the Members of the Stakeholders Relationship Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of Stakeholders' Relationship Committee Meeting during the F.Y. 2024-25			
		30.05.2024	09.08.2024	12.11.2024	12.02.2025
1.	Shri Shrikant N. Jhaveri (Chairman) Resigned w.e.f.27.09.2024	Yes	Yes	NA	NA
2.	Shri Ambalal C. Patel Resigned w.e.f. 27.09.2024	Yes	Yes	NA	NA
3.	Smt. Shefali M. Patel Appointed w.e.f.13.05.2024	Yes	Yes	Yes	Yes
4.	Shri Mitesh V. Jariwala, Chairman Appointed w.e.f. 28.09.2024	NA	NA	Yes	Yes
5.	Shri Bipin A. Gosalia Appointed w.e.f.28.09.2024	NA	NA	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

Name and designation of Compliance Officer

Smt. Radhika P. Soni, Company Secretary was appointed as Company Secretary & Compliance Officer of the Company as per regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to discharge all duties under the listing regulations due to the resignation of Shri Vinay Mishra from the post of Company Secretary and Compliance Officer of the Company w.e.f. July 24, 2024.

The Company has a designated E-mail ID i.e. sal.investor@salsteel.co.in for the redressal of complaints / grievances of the stakeholders which is also displayed on the website of the Company.

Details of Shareholders Complaints

The details of shareholders complaints received and resolved till 31st March, 2023 are as under: No. of shareholders' complaints received during the year: Nil

No. of complaints not resolved to the satisfaction of shareholders: Nil No. of pending Complaints: Nil No. of complaints resolved during the year: Nil

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition and terms of reference of the Corporate Social Responsibility (CSR) Committee are in compliance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder. The composition of Committee is given in this Report.

Terms of Reference:

The functions of CSR Committee, inter alia, include the following:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
- To recommend the amount of expenditure to be incurred on the activities mentioned in CSR Policy;
- To monitor CSR Policy of the Company from time to time;
- To formulate and recommend to the Board, an annual action plan, which shall include the following:
 - The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Act;

- b) The manner of execution of such projects or programmes as specified in Rule 4(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - c) The modalities of utilization of funds and implementation schedules for the projects and programmes;
 - d) Monitoring and reporting mechanism for the projects and programmes;
 - e) Details of need and impact assessment, if any, for the projects undertaken by the Company;
5. Such other functions / roles as may be delegated or assigned to the Committee from time to time.

Composition:

The CSR Committee consists of three members comprising of one (01) Independent Non-executive Director, one (01) Whole- time Director and one (01) Non-Independent Non-Executive Director as on 31st March, 2023. During the period under review, one (01) CSR Committee meeting was held on 28th May, 2023. The attendance of the Members of the CSR Committee is as under:

Sr. No.	Name of the Members	Date of CSR Committee Meeting during the F.Y. 2024-25
		30.05.2024
1.	Shri Mitesh V. Jariwala(Chairman) - Independent Non-executive Director Appointed w.e.f. 28.09.2024	NA
2.	Shri Rajendra V. Shah - Member - Non-Independent Non-Executive Director	Yes
3.	Shri Babulal M. Singhal - Member – Whole-time Director Appointed w.e.f. 13.05.2024	Yes
4.	Shri Ambalal C. Patel (Chairman)-Independent Director Non- Executive Director Resigned w.e.f.27.09.2024	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary of the Company acts as the secretary of the Committee.

4. GENERAL BODY MEETING

A. Annual General Meeting :

Details of the AGM held during the last three years are as under:

Year	Date	Time	Venue	No. of special resolutions passed
2021-22	September 23, 2022	01:00 P.M.	Video Conferencing/Other Audio Visual Means (VC/OAVM)	0
2022-23	September 29, 2023	01:00 P.M.	Video Conferencing/Other Audio Visual Means (VC/OAVM)	0
2023-24	September 27, 2024	01.00 P.M.	Video Conferencing/Other Audio Visual Means (VC/OAVM)	0

B. Extraordinary General Meeting:

During the year under review, Extra Ordinary General Meeting was held on 08th June, 2024 through Video Conferencing ("VC") and /or Other Audio Visual means ("OAVM") by notice dated 16.05.2024 to Approve Following Resolution;

Date of Notice: May 16, 2024

Date of EOGM: June 8, 2024

Resolution Approved:

1. To Create , offer, issue, and Allot upto 48, 00, 000 (Forty Eight Lakh) Convertible Equity Warrants ("Warrants") of Face Value of ₹10/- (Rupees Ten only) each at an issue price of ₹ 25/- (Rupees Twenty Five Only) including a premium of INR ₹15/- (Rupees Fifteen only) each Aggregating upto INR ₹ 12.00 Crores (Rupees Twelve Crores Only) to the Promoters on a private and preferential basis with an option to subscribe and convert each such warrant into One Equity Share of Face Value of INR ₹10/- (Rupees Ten Only) at a price of ₹25/- (Rupees Twenty Five Only) each including a premium of ₹ 15/- (Rupees Fifteen Only) each on preferential basis.
2. Adoption of New Set of Memorandum of Association as per Companies Act, 2013
3. Adoption of New Set of Article of Association as per Companies Act, 2013

C. Postal Ballot:

During the year the Company sought approval from the shareholders through Postal Ballots as detailed below:

Date of Notice: November 25, 2024

Date of declaration of results: December 28, 2024

Resolutions approved:

1. Appointment of Shri Mrinal Sinha (DIN: 09482143) as Whole Time Director of the Company. The resolution was passed as **Ordinary Resolution**.
2. Appointment of Smt. Nipa Jairaj Shah (DIN: 10833814) as an Independent Director of the Company. The Resolution was passed as **Special Resolution**.

The voting period for remote e-voting on the aforementioned resolutions was commenced on 9:00 am. (IST) on Thursday, November 28, 2024 and ended at 5:00 p.m. IST on Friday, December 27, 2024.

Mr. Kamlesh M. Shah, Practicing Company Secretary (ACS- 8356|CP 2072), Proprietor of M/s. Kamlesh M. Shah & Associates, Company Secretaries, was appointed as Scrutinizer who conducted the Postal Ballot, through the e-voting process, in a fair and transparent manner.

The procedure prescribed under Section 108 and 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations and the guidelines prescribed by MCA Circulars were duly followed for conducting the postal ballot process for approving the above mentioned resolutions

Details of e-voting of on the aforementioned resolutions:

S. No.	Resolution	% Votes in Favour	% Votes Against
1.	Appointment of Shri Mrinal Sinha (DIN: 09482143) as a Whole Time Director of the Company	99.98	0.02
2.	Appointment of Smt. Nipa Jairaj Shah (DIN: 10833814) as an Independent Director of the Company	99.98	0.02

The Resolution(s) were passed with requisite majority.

At present, there is no further proposal to pass any resolution through postal ballot.

5. MEANS OF COMMUNICATION

- a. All Quarterly, Half-yearly and Annual financial results are immediately sent to stock exchanges after being taken on record by the Board.
- b. As per the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, results are also published in leading daily local & English National newspapers namely Indian Express and Financial Express. The said results are also displayed at Company's web site.
- c. The Company's website www.salsteel.co.in contains a separate dedicated section named "Investors" where information for shareholders is available. Press releases, if any, are also displayed at Company's website as well as published in newspapers.

6. GENERAL SHAREHOLDERS INFORMATION

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as L29199GJ2003PLC043148.

a) Annual General Meeting

Day	:	Friday
Date	:	September 26, 2025
Time	:	01:00 P.M.
Deemed Venue	:	Block No. - 2221-2222, Shah Industrial Estate, Sola – Kalol Road, Ta: Kalol, Dist. Gandhinagar, Santej - 382043 Gujarat.
Mode	:	Virtual Annual General Meeting in accordance to the details mentioned in the notice forming part of the Annual Report for Financial Year 2023-24

b) Financial Year:

For accounting and financial reporting purpose, Company follows Financial Year which starts from 1st April each year and ends on 31st March of every succeeding year.

The Quarterly Results for the financial year 2025-26 will be taken on record by the Board of Directors as per the following schedule:

Quarter ending 30 th June, 2025	:	on or before 14 th August, 2025
Quarter and half year ending 30 th September, 2025	:	on or before 14 th November, 2025
Quarter and nine months ending 31 st December, 2025	:	on or before 14 th February, 2026
Quarter and Financial Year ending 31 st March, 2026	:	on or before 30 th May, 2026

c) Dividend Payment Date : Not Applicable

- d) Listing on Stock Exchange :**
- BSE Limited (BSE)**
Phiroze Jeejee bhoy Towers Dalal Street, Mumbai – 400001 (**Scrip Code: 532604**)
 - National Stock Exchange of India Limited (NSE)**
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400051 (**NSE Symbol: SALSTEEL**)

Company has paid listing fees in respect of financial year 2024-25 to the BSE Limited and National Stock Exchange of India Limited.

- e) Demat ISIN No. for NSDL and CDSL :** INE658G01014
- f) Stock code :** BSE Limited - Scrip Code: 532604
National Stock Exchange of India Limited - Symbol: SALSTEEL

g) Registrar to Issue and Share Transfer Agents:

The members of the Company may address all its communication relating to transfer, transmission, Refund order, Dividend, National Electronic Clearing system (NECS) dematerialization etc. to Company's Share Transfer agent i.e. Kfin Technologies Private Limited at the below address and may also write to the Company.

Name	:	Kfin Technologies Limited
Address	:	Karvy Selenium Tower B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.
Phone	:	91-040-67162222
Fax	:	91-040-23001153
	:	Toll Free no. : 1800-345-4001
Email	:	shyam.kumar@karvy.com
Website	:	www.karvyfintech.com

h) Share Transfer System:

All transfers of shares held in physical form are dealt by our Registrar and Share Transfer Agents. Presently the share transfers received in physical form are processed and registered within prescribed time periods (15) days from the date of receipt subject to the documents being valid and complete in all respects. Depositories control share transfers in Demat Mode. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance in respect of compliance with share transfer formalities as required under Regulations 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the stock exchanges.

i) Shareholding pattern as on 31st March, 2025:

Category	No. of Shares	%
Promoters	42959495	50.56
Resident Individuals	35876490	42.22
Bodies Corporates	1736798	2.05
HUF	2660014	3.13
Non Resident Indians	796853	0.94
Non Resident Indian Non Repatriable	936118	1.10
Foreign Portfolio-Corp	932	0.00
Total	84966700	100.00

j) Distribution of shareholding as on 31st March, 2025:

Shareholding (Range)	No. of Cases	% of Cases	Amount (in ₹)	% Amount
1-5000	54489	87.6016	56095050	6.602
5001- 10000	4,053	6.2853	34861560	4.130
10001- 20000	1822	2.8255	28682770	3.3758
20001- 30000	629	0.9754	16477440	1.9393
30001- 40000	283	0.4389	10252540	1.2067
40001- 50000	338	0.5242	16181850	1.9045
50001- 100000	433	0.6715	33220590	3.9098
100001& Above	437	0.6777	653895200	76.959
Total	64484	100.00	849667000.00	100.00

k) Dematerialization of Shares and Liquidity:

On 31st March, 2025, nearly 99.81% of the shareholders of Company were holding Company's shares in demat form. In the same way, Promoters & Promoters-group shareholding is also fully dematerialized.

l) Plant Location:

The Company's plant is located at:
Survey No. 245, Village Bharapar, Tal. Gandhidham, Dist. Kutch, Gujarat

m) Registered & Administrative Offices:

Registered Office Administrative Office:
5/1, Shreeji House, SAL Steel Limited,
Behind M. J. Library, Ashram Road Corporate House,
Ahmedabad – 380006, Gujarat Sola-Kalol Road, Village Santej,
Dist: Gandhinagar, Gujarat – 381721

n) Address for Investor Correspondence:

In case any problem or query shareholders can contact at:

Name : Mrs. Radhika P. Soni, Company Secretary and Compliance officer
Address : S.A.L. Steel Limited,
Shah Alloys Corporate House, Sola-Kalol Road, Santej, Dist. Gandhinagar, Gujarat 382 721
Phone : 91-01764-352929
Fax : 91-01764-352929
Email : cs@salsteel.co.in
Shareholders may also contact Company's Registrar & Share Transfer Agent at:
Name : KFIN Technologies Limited
Address : Selenium Building, Tower-B,
Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana India - 500 032
Phone : (91) 910 009 4099
Toll Free no. : 1800 309 4001
Email : inward.ris@kfintech.com & shyam.kumar@karvy.com
Website : [https:// www.kfintech.com](https://www.kfintech.com)

7. OTHER DISCLOSURES:

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

There is no materially significant related party transaction that may have potential conflict with the interests of the Company at large have been entered.

During the financial year, all transactions entered into with the Related Parties as defined under Companies Act, 2013, were in the ordinary course of business and on an arm's length basis and did not attract provisions of Section 188 of Companies Act, 2013. However, prior approvals from the Audit Committee are obtained for transactions which are in ordinary course of business and repetitive in nature. Further, on quarterly basis, disclosures are made to the Audit Committee and to the Board.

Details of related party transactions are also presented in the notes to financial statements.

The Company has formulated the policy on materiality of related party transactions and on dealing with related party transactions and it is available at the website of the Company at: <http://www.salsteel.co.in>.

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

During the period under review, there is no non-compliance or penalty imposed by any authority on any matter related to capital markets.

iii. Establishment of vigil mechanism and affirmation that no personnel has been denied access to the audit committee:

The Company has implemented a Vigil Mechanism Policy, whereby employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance to code of conduct to the Company. The policy safe guards the whistle blowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the financial year none of the personnel has been denied access to the audit committee.

iv. Corporate Governance Compliance Certificate

Compliance Certificate from M/s Kiran Kumar Patel, Practicing Company Secretaries, as regarding compliance of conditions of corporate governance is annexed with corporate governance report.

v. Key Board qualifications, expertise and attributes

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board along with the name of Directors who possesses such skill/ experience/ competencies:

Skill/ experience/ competencies	Name of the Directors						
	Shri Rajendra V. Shah	Shri Babulal M. Singhal	Shri Mrinal Sinha	Smt. Shefali M. Patel	Smt. Nipa J. Shah	Shri Mitesh V. Jariwala	Shri Bipinbhai A Gosalia
Leadership	✓	✓	✓	✓	✓	✓	✓
General Management and Business Operations	✓	✓	✓	✓	✓	✓	✓
Senior Management Expertise	✓	✓	✓	✓	✓	✓	✓
Industry Expertise	✓	✓	✓	✓	✓	✓	✓
Public Policy/ Governmental Regulations	✓	✓	✓	✓	✓	✓	✓
Accounting/Finance/ Legal Skills	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓
Business Development/ Sales/ Marketing	✓	✓	✓	✓	✓	✓	✓
International Business	✓	✓	✓	✓	✓	✓	✓
Strategy/ M&A/ Restructuring/ Forging Joint Ventures/ Partnerships and Turning around Organisations	✓	✓	✓	✓	✓	✓	✓
Technical / Professional skills and specialized knowledge in relation to Company's business	✓	✓	✓	✓	✓	✓	✓

vi. Fee paid to Statutory Auditors

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are provided in the Standalone Financial Statements forming part of this Annual Report.

vii. Disclosure of Accounting Treatment:

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

viii. CEO/CFO Certification:

The Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

For and on behalf of the Board of Directors of
For **SAL Steel Limited**

Sd/-

Rajendrakumar Shah

Chairman

DIN: 00020904

Place : Santej, Gujarat

Date : 14th August, 2025

Registered Office:

5/1 Shreeji House,

B/h M.J. Library, Ashram Road, Ahmedabad-380 006

CIN: L29199GJ2003PLC043148

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL UNDER REGULATION 17(5) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015

I, Babulal M. Singhal, Whole Time Director & CFO of the Company, hereby certify that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. Company has adopted a code of conduct for all Board members and senior management of the company which is posted on the website of the company.

We further confirm that during the year, none of the Directors or any of the Key Managerial Persons has done any trading in shares of the Company in the secondary market. Further, the company had not made any allotment of shares to any Directors or any of the Key Managerial Personnel during the year.

The above Report was adopted by the Board at their meeting held on 14th August, 2025.

For and on behalf of the Board of Directors of
For **SAL Steel Limited**

Place : Santej, Gujarat
Date : 14th August, 2025

Registered Office:
5/1 Shreeji House,
B/h M.J. Library, Ashram Road, Ahmedabad-380 006
CIN: L29199GJ2003PLC043148

Sd/-
Babulal M. Singhal
Chairman
DIN: 01484213

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
S.A.L. Steel Limited

We have examined the compliance of conditions of Corporate Governance by S.A.L Steel Limited ('the Company'), for the year ended 31st March, 2025 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in the Listing Regulations for the period 1st April, 2024 to 31st March, 2025.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable except Non-compliance under Regulation 6(1), 17(1) and 23(9) of SEBI (LODR) Regulations, 2015 imposed exchange during the period under review.

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

For, **K. K. Patel & Associates**

Sd/-

Kiran Kumar Patel

Company Secretary

C.P.No.6352

UDIN: F006384G001018164

Place: Gandhinagar

Date: 14th August, 2025

Certificate of Non-disqualification of Directors

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

To,
Members,
S A L STEEL LIMITED,
Ahmedabad-380006, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of S A L STEEL LIMITED bearing CIN: L29199GJ2003PLC043148 and having its registered office at 5/1 Shreeji House 5th Floor B/h M J Library Ashram Road Ahmedabad 380 006, Gujarat State, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of position of Directors as on **31st March 2025** we state as under:

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. **All the Independent Directors are Registered at www.independentdirectorsdatabank.in Portal.**

Sr. No.	Name of Director	DIN Number	Original Date of Appointment	Disqualified Under Section 164 of Companies Act, 2013	Deactivation of DIN Due to Non-Filing of DIR-3 KYC	Debarred by SEBI or such other Action by SEBI
1	Rajendrakumar Shah Promoter Non- Executive Chairman	00020904	06/11/2003	N.A.	N.A.	N.A.
2	Babulal Madanlal Singhal Non-Promoter Executive Whole Time Director And CFO	01484213	16/05/2006 CFO w.e.f. 28/05/2014	N.A.	N.A.	N.A.
3	Mrinal Sinha Non- Promoter Executive Whole Time Director	09482143	12/11/2024	N.A.	N.A.	N.A.
4	Shefali Manojbhai Patel Non-Promoter Non-Executive Independent Woman Director	07235872	13/07/2015	N.A.	N.A.	N.A.
5	Mitesh Vasantbhai Jariwala Non-Promoter Non-Executive Independent Director	09396683	24/02/2024	N.A.	N.A.	N.A.
6	Bipinbhai Amulakhbhai Gosalia, Non-Promoter Non-Executive Independent Director	10521360	24/02/2024	N.A.	N.A.	N.A.
7	*Nipa Jairaj Shah Non Promoter Non Executive Independent Director	10833814	12/11/2024	N.A.	N.A.	N.A.

- Nipa Jairaj Shah shall pass the qualifying examination for Independent Director within 12 months from the date of their Registration with www.independentdirectorsdatabank.in

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries

Kamlesh M. Shah

(Proprietor)

ACS: 8356, COP: 2072

Peer Review Regn.No: 6438/2025

Valid up to 28/02/2030

Place: Ahmedabad

Date: 16th May, 2025

UDIN: A008356G000360521

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The objective of this report is to convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities, and internal control systems and their adequacy in the Company during the Financial Year 2024-25. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

Source: World Economic Outlook as per International Monetary Fund & Indian Economy Forecast as per Indian Brand Equity Foundation.

INSIGHTS ON GLOBAL ECONOMY

The global economy in 2024 and 2025 displayed several noteworthy trends and key figures. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.

Economic Growth: In 2025, the global economy rebounded from the pandemic, with a growth rate estimated at around 3.1%, according to the International Monetary Fund (IMF). While this marked a significant improvement from the recession of 2020, growth rates varied widely among countries, with advanced economies recovering faster than emerging markets. In 2026, global growth was expected to moderate to around 3.3%, reflecting Global recovery is steady but slow and differ by region.

Inflation: Inflation became a major concern during this period. Many countries experienced higher inflation rates due to a combination of supply chain disruptions, rising commodity prices, and increased demand. In the United States, for example, inflation reached levels not seen in over a decade, with the Consumer Price Index (CPI) exceeding 5% at times in 2025. Central banks responded by adjusting monetary policy to combat inflation, which had implications for borrowing costs and financial markets.

Labor Market: Labor markets underwent significant changes. The pandemic accelerated trends in remote work and automation, altering the nature of work in various industries. Some countries faced labor shortages in sectors like healthcare, hospitality, and manufacturing, leading to wage increases and labor disputes. The global gig economy continued to expand, raising questions about worker protections and employment stability.

Green Economy: Sustainability and environmental concerns gained prominence. Investment in renewable energy, electric vehicles, and green technologies surged, with governments and businesses committing to carbon neutrality goals. The renewable energy sector saw substantial growth, and sustainability considerations began to influence investment decisions and consumer behavior.

Trade and Geopolitical Tensions: Geopolitical tensions, particularly between the United States and China, continued to shape global trade dynamics. Supply chain disruptions and trade disputes affected the flow of goods and added complexity to global supply networks. The World Trade Organization (WTO) aimed to address these challenges through trade negotiations.

Technology and Innovation: Technological advancements remained a driving force behind economic growth. Artificial intelligence, blockchain, and biotechnology continued to revolutionize industries. The technology sector attracted substantial investment, and digitalization efforts accelerated across sectors, from healthcare to finance.

Debt Levels: Public and private debt levels reached record highs in many countries due to pandemic-related stimulus measures and economic support. Managing this debt and its long-term implications for fiscal sustainability became a key concern for policymakers.

In summary, 2025 was characterized by a mixed economic picture, with recovery from the pandemic coexisting with inflationary pressures, supply chain disruptions, and ongoing geopolitical tensions. Sustainability and technological innovation emerged as critical drivers of economic growth and transformation, while the global economy faced the challenge of navigating uncertainty and adaptability in an increasingly interconnected world.

In 2025, disinflationary monetary policy is expected to bite, with global output growing by just 3.0 percent. (Source – Indian Monetary Fund Global Outlook)

In FY 2024-25, India is the world's second-largest producer of crude steel, with an output of 152.18 million metric tons and finished Steel Production of 133 MT

INDIAN ECONOMIC OVERVIEW

This year began with the anticipation that runaway inflation, aggressive policy rate hikes, and high commodity prices might topple a few major economies into recession in 2025. We are halfway past 2025 and, while the world is still in the woods, the probability of a recession this year has trimmed. Labor markets in several advanced countries remain tight, while the largest economy, the United

States, is seeing a rebound in consumer confidence and spending. Risk spreads are declining on both sides of the Atlantic after the recent banking crisis in the United States.

India, meanwhile, enjoys a Goldilocks moment as it sees its economic activity gaining momentum amid continuing global uncertainties. The last quarter's GDP data was pleasantly surprising but not completely unexpected. The GDP growth in the fourth quarter has pushed up the full-year GDP growth of FY2024–25 to 7.4%, 200 basis points (bps) higher than the earlier estimate. The recently released Annual Economic Review for the month of May 2023 highlighted that the post pandemic quarterly trajectories of consumption and investment have crossed pre-pandemic levels.¹

Evidently, economists and analysts are bullish about the Indian economy. Our growth forecasts for FY2024–25 remain similar to our April forecast, although higher-than-expected growth in FY2023–24 has raised our base for comparison. That said, we have raised our lower limit of the range given the buoyancy of the economy. We expect India to grow between 6% and 6.3% in FY2025–26 and have a stronger outlook thereafter. In fact, if global uncertainties recede, we expect growth to surpass 7% over the next two years.

The first-quarter data points to further building on the positive momentum in the economic data. We continue to remain optimistic about the economy this year and expect India to grow between 6.5% and 7.00% during FY2024–25 in our baseline scenario, followed by 6.6% and 7.2% over the next two years as the global economy turns buoyant (figure 6). However, if downside risks weigh on the economic fundamentals and outlook, we may see a substantial economic slowdown (*Source – Deloitte Insights*)

MARKET SIZE

In FY25, the production of crude steel and finished steel stood at 137.96 (million tonnes) MT and 132.57 (Million tonnes) MT respectively.

In FY24, the production of crude steel and finished steel stood at 143.6 (million tonnes) MT and 138.5 (million tonnes) MT, respectively. The consumption of finished steel stood at 136.29 (million tonnes) MT in FY24. In FY25, the consumption of finished steel projected to be around 111.49 (million tonnes) MT. India's projected domestic finished steel consumption increased by 9%-10% in 2024-25, driven by increased demand from the automotive and infrastructure sectors.

In FY25, exports and imports of finished steel stood at 5 (million Tonnes) MT and 9.5(million tonnes) MT, respectively. In FY24, India exported 7.5 MT of finished steel.

The annual production of steel is anticipated to exceed 300 million tonnes by 2029-30. By 2029-30, crude steel production is projected to reach 255 million tonnes at 85% capacity utilisation achieving 230 million tonnes of finished steel production, assuming a 10% yield loss or a 90% conversion ratio for the conversion of raw steel to finished steel. With net exports of 24 million tonnes, consumption is expected to reach 206 million tonnes by the year 2030. As a result, it is anticipated that per-person steel consumption will grow to 160 kg.

(Source: <https://www.ibef.org/industry/steel>)

GOVERNMENT INITIATIVES

Some of the other recent Government initiatives in this sector are as follows:

- Under the Union Budget 2024-25, the government allocated 325.66 crore (US \$ 39.23 million) to the Ministry of Steel.
- The Government has launched the Production Linked Incentive (PLI) Scheme for specialty steel to promote the manufacturing of 'Specialty Steel' within the country and reduce import by attracting capital investments. The anticipated additional investment under PLI Scheme for specialty steel is ₹ 29,500 crores and an additional capacity creation of around 25 million tonnes (MT) for specialty steel.

- In January 2021, the Ministry of Steel, Government of India, signed a Memorandum of Cooperation (MoC) with the Ministry of Economy, Trade and Industry, Government of Japan, to boost the steel sector through joint activities under the framework of India-Japan Steel Dialogue.
- The Union Cabinet, Government of India approved the National Steel Policy (NSP) 2017, as it intends to create a globally competitive steel industry in India. NSP 2017 envisage 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ₹ 200 crore (US\$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5% and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Road ahead

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. As per Indian Steel Association (ISA), steel demand will grow by 7.2% in 2019-20 and 2020-21.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Opportunities

There is a significant growth being witnessed in Construction sector as the government is spending on Infrastructure projects and the sector is considered to maintain the same level of momentum and demand with a gradual rise in Investment resulting in creating market for the Steel Industries in the Country.

Further the Capital goods market has also improved with rising manufacturing capacity utilization and infrastructure investment which has boosted demand for Construction and earthmoving equipment.

Also Consumer durable growth is driven by segments like Air-conditioner, Refrigerators and furniture supported by lowering of GST and hike in Import Duty and indirectly giving a good demand to steel industries

As per the National steel policy crafted during FY 2018-19, the crude steel production target for India is set at 300 MT by 2030. Share of sponge iron in steel making will be 80MT, which will create huge opportunity for sponge iron industry.

Threats

Presently there are no visible threats in the short and medium term in the sponge iron industry. However availability of key raw materials and environmental concerns might pose significant challenge in the future.

Outlook

The domestic consumption is considered to move at a same momentum as is evident in the demand pull visible in infrastructure, automobile and other sectors. Government is also driving the economy by investing in housing, roads, and ports and in other infrastructure projects.

Favourable domestic demand and remunerative prices in both domestic and international markets are likely to bolster steel production further in the years to come, resulting into more demand for sponge iron.

RISK AND CONCERNS

The process of Risk Management in the company identifies inherent risks in its operations and records residual risk after taking specific risk mitigation steps. The company has identified and categorized risks in the areas of Operations, Finance, Marketing, Regulatory Compliances and Corporate matter.

The volatility in price of sponge iron, excess supply of sponge iron in the market will have an effect of squeezing margins and poses risk to the profitability. New customers, new market and cost reduction have been identified as the mitigation measures.

Also, the enforcement of recent Tariff policy guidelines on power by Government of India that requires the State Electricity Regulatory Commission to ascertain sale price of power based on cost of generation will have an impact on the revenue from export of power.

Fluctuation of import coal price, increase in USD-INR exchange rate, may lead to increase in cost of production. This is mitigated by continuous evaluation of international coal price vis-à-vis Indian coal price and accordingly the action plan for procurement has been formulated.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company's internal control systems are adequate considering size and nature of operations of the Company, meets with the regulatory and statutory requirements, assuring recording of all transactions and also ensuring reporting the financial information in a timely and reliable manner. The Company has defined risk management framework and it is implemented as an integral part of business processes. The Company has installed Enterprise Resource Planning System for accounting purposes. To counter the adverse fluctuation in the sponge iron prices, the Company vigorously keeps watch on its price trends and accordingly plans the purchases to ensure efficient operations and better profitability. The Company applies effective mitigation techniques to manage potential risks. Risk management system includes recording, monitoring and controlling internal enterprise business risks and addressing them through informed and objective strategies. Further, the Board of Directors of the Company has adopted a Risk Management Policy and it has identified various risks and also has mitigation plans for each risk identified. Its comprehensive risk management system ensures that all risks are timely identified, assessed and mitigated in accordance with the Risk Management Policy. The Audit Committee of the Board of Directors of the Company periodically reviews the internal control system and also internal audit reports issued by the Internal Auditors of the Company.

The Company has formulated a robust whistleblower policy for receiving and redressing complaints of employees. No employee has been denied access to the Audit Committee or its Chairman during the year under review.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is working on enhancing its competencies to take care of current and future business. Its employee strength as on 31st March, 2024 was 320. Human Resource and Industrial Relations departments have developed systems and policies on recruitment, performance management, learning and development, and employee engagement. Further, the Company has adopted various safety measures to ensure safe working environment for the employees of the Company. During the Financial Year, the industrial relations between the employees and management were calm and composed.

Further, the Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has formed Internal Complaints Committee and also formulated a policy. No complaint was reported during the Financial Year 2023-24.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Production of sponge iron during the year was 131281 MT as compared to 129696 MT in the previous year. Production of Ferro Chrome was 12916 MT as compared to 14797 MT in the previous year.

Accordingly, sales for sponge iron during the year was 131619 MT as compared to 128115 MT in the previous year. Sales of Ferro Chrome during the year were 12444 MT as compared to 14759 MT in the previous year.

Company has a power generation plant of 40 MW. During the year 5267 KWH of power was sold by way of Captive Consumption as against 55875 KWH in the previous year.

During the year under review Total Revenue from operation has increased from ₹ 578.23 Crores to ₹ 544.92 Crores as compared to previous year's turnover. Company has registered a net loss of ₹ 6.42 Crores in comparison to net profit of ₹ 0.47 Crores during previous year.

Particulars	Numerator	Denominator	31 st March 2024	31 st March 2023	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	1.18%	1.42%	-17%	Due to increase in the Current Liabilities
Debt Equity Ratio	Borrowings	Share Holder's Equity	4.58%	2.97%	54%	Due to Loss and substantial decrease Share holders' equity and increase working capital borrowing
Debt Service Coverage Ratio	Earnings available for debt Service	Debt Service	0.12	0.18	-36%	
Return on Equity (ROE):	Net Profit after Taxes	Average Shareholder's Equity	-15.91%	1.12%	-1516%%	Due to Substantial decrease in the Net Profit
Inventory Turnover Ratio	Cost of Material Consumed + Channges in WIP/ FG	Average Invnetory	6.03%	8.26%	-27%	Not Applicable
Trade receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	8.06%	8.41%	-4%	Not Applicable
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	16.62%	21.75%	-24%	Due to decrease in average Trade Payable
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	19.34%	14.33%	35%	
Net Profit Ratio	Net Profit	Revenue from Operations	-1.18%	0.08%	-1550%	Due to substential decrease in the Net Profit
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	4.33%	8.04%	-46%	Not Applicable

CAUTIONARY NOTE

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. The details and information used in this report have been taken from publicly available sources. Any discrepancies in the details or information are incidental and unintentional. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of date. The above discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
S.A.L. STEEL LIMITED

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying standalone IND AS financial statements of **S.A.L. STEEL LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, 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 ended on that date and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its losses, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. **For the Year ended on 31st March, 2025, the company has not made provision for Electricity Duty in the books of accounts had the company made the provision for Electricity Duty for the year ended on 31st March, 2025, the Loss for the year would have been higher by Rs 314.28 lakhs and current liabilities would have been higher to that extent. (Refer to Note no. 41 of Standalone IND AS Financial Statements).**
2. **For the year ended on 31st March, 2025, the company has not made Impairment of entire Capital Work in Progress. Had the Company made Impairment of entire Capital Work in Progress for the year ended on 31st March, 2025, the Loss for the year would have been higher by Rs 100.94 lakhs and Capital Work in Progress would have been lower to that extent. (Refer to Note No. 39 of Standalone IND AS Financial Statements).**

We conducted our audit in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the standalone IND AS 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 standalone IND AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone IND AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters:

Description of Key audit Matter	Our response and results
<p>REVENUE (Refer note 23) to the standalone Ind AS financial statements)</p> <p>Revenue of the company comprises of sale of Sponge Iron, Ferro alloys as well as sale of power. The company sells its products directly to the end use customers.</p> <p>Revenue recognition is a significant audit risk across the company. Specifically there is a risk that revenue is recognized on sale of goods before the control in the goods is transferred.</p>	<p>Our key audit procedures to assess the recognition of revenue on sale of goods included the following:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the Company's revenue recognition policies, including those related to discounts and incentives; • We obtained an understanding of process and assessed the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sale of goods. We also tested the Company's controls over timing of revenue recognition; • We also tested, on a sample basis, whether specific revenue transactions around the year end had been recognized in the appropriate period on the basis of the terms of sale of the contract, particularly with reference to the transfer of control in the goods in question with regard to the year end transactions. <p>We inspected key customer contracts/ purchase orders to identify terms and conditions related to acceptance of goods and the right to return and assessing the Company's revenue recognition policies with reference to the requirements of the prevailing accounting standards;</p>
<p>Litigations and claims</p> <p>(Refer note 31A) to the standalone Ind AS financial statements)</p> <p>The cases are pending with multiple tax authorities like Service tax, VAT, Income Tax, Excise. & customs and there are claims against the company which have not been acknowledged as debt by the company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from claims of the customers not acknowledged as debt by the company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the standalone Ind AS financial statements is dependent on a number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the standalone Ind AS financial statements, is inherently subjective.</p> <p>We have considered Litigations and claims; a Key Audit Matter as it requires significant management judgement, including accounting estimates that involves high estimation uncertainty.</p>	<p>Our audit procedures, inter alia, included following:</p> <ul style="list-style-type: none"> - Discussed disputed litigation matters with the company's management. - Evaluated the management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management's correspondence/response including on the claims lodged by customers were used to assess the appropriateness of management's best estimate of the most likely outcome of each uncertain contingent liability. - Critically assessed the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone Ind AS financial statements. Also, assessed the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion:</p> <p>Based on the procedures described above, we did not find any material exceptions to the management's assertions and treatment, presentation & disclosure of the subject matter in the standalone Ind AS financial statements.</p>

Emphasis of Matter

- The Company has not complied with the disclosure requirements of segment reporting as per Indian Accounting Standard - 108 'Operating Segments'. However, there is no impact on the financial results due to the said non-disclosure. (Refer Note No.32 of notes forming part of Standalone Ind AS financial statement)**
- During the Year under review, the company has written back creditors amounting to Rs 44.71 lakhs, in view of the management the same is not payable, accordingly they have been written back and credited to statement of Profit and loss account as Other Income for the year ended on 31st March, 2025. (Refer to Note No.42 of Standalone IND AS Financial Statements).**

3. **We draw attention to the matter that company has not provided details w.r.t MSME Vendors as prescribed under MSME Act, 2006 which states as specified Companies(Furnishing of information about payment to micro and small enterprise suppliers) Order 2019. However, in the absence of the above mentioned details we are unable to comment on the non-recognition of any provisioning to be made on account of interest on balance outstanding to MSME vendors if any ,required at the balance sheet date 31.03.2025. (Refer to Note No. 40 of Standalone IND AS Financial Statements).**
4. **The balance confirmation from the suppliers, and customers have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, advance from customers and trade payables have been taken as per the books of accounts submitted by the company and are subject to confirmation from the respective parties. (Refer to Note No. 37 of Standalone IND AS Financial Statements).**
5. **In order to buy peace of mind and to put an end to the litigation, the Company has entered into a Settlement Agreement with Shreenidhi Trading Company a creditor who had initiated legal proceedings against the Company. The Company has agreed to pay a settlement amount of Rs 510.00 Lakhs, to the said alleged creditor against the principal outstanding of Rs 94.41 Lakhs. Thus, the balance amount of Rs. 415.59 Lakhs is shown as "Exceptional Item" in the statement of profit and loss for the year ended on 31st March 2025. (Refer Note No 46 of notes forming part of Standalone Financial Statements)**

Our opinion is not modified on the above matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS Financial Statements

The statement has been prepared on the basis of Standalone Ind AS annual financial statement.

The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone IND AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone IND AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone IND AS financial statements, including the disclosures, and whether the standalone IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 read with Schedule V of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and except for the matters described in the Basis for Qualified Opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matters described in the Basis for Qualified opinion paragraph above and for the matter stated in paragraph 3(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, 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 standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) Except for the possible effects of the matter described in Basis of Qualified opinion paragraph, in our opinion, the aforesaid standalone IND AS Financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- e) The matters described in the paragraphs on Basis for Qualified Opinion and Emphasis of Matters, in our opinion it may have an adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls with reference to standalone IND AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone Financial Statements.
- h) The Modification relating to the maintenance of accounts & other matters connected therewith, are stated in Basis of Qualified Opinion paragraph and also stated in paragraph 3(b) above on reporting under section 143(3)(6) of the act, and also stated at paragraph 3(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- i) 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, as 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 the standalone Ind AS Financial Statements (Refer Note No. 31-A to the Standalone Ind AS Financial Statements.)
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared and paid any Interim dividend nor has proposed any final dividend during the previous year, and hence the question of Compliance and applicability of Section 123 of the Companies Act does not arise.
- (vi) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023

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, 2025 which has a feature of recording audit trail (edit log) facility and the same operated throughout the year for all relevant transaction recorded in the software. Further, during the

course of our audit, we did not come across any instances of audit trail feature being tampered. The audit trail has been preserved by the Company as per the statutory requirements for record retention.

However, in respect of Books of Accounts maintained at factory, the accounting software does not have the feature of edit log under the year under review and the same was not operated throughout the year for all relevant transactions recorded in the software, hence question of preservation of back up of audit trail does not arise.

For, **Parikh & Majmudar**

Chartered Accountants

FRN - 107525W

[CA SATWIK DURKAL]

PARTNER

Membership No. 107628

UDIN: 25107628BMHGBN3520

Place : Ahmedabad

Date : 30-05-2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of S.A.L. STEEL LIMITED of even date)

With reference to the Annexure A, referred to in the Independent Auditors Report to the members of the Company on the Standalone IND AS financial statements for the year ended on 31st March 2025, we report following:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the property, plant and equipment are physically verified in a phased manner by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties other than the self constructed property are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No proceedings have been initiated during the year and are pending against the Company as at March 31, 2025 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and the appropriate disclosures have been made in Financial Statements
- ii. (a) As explained to us, the inventories were physically verified by the management at reasonable intervals during the year, (except for goods in transit). In our opinion the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. As explained to us, there were no discrepancies of 10% or more in aggregate for each class on physical verification of inventory as compared to the book records.
- (b) The Company has been sanctioned working capital limits (including fund based and non-fund-based limits) in excess of Rs. Five crores in aggregate from banks on the basis of security of the current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements) filed by the Company with such banks are in agreement with the books of account of the Company of the respective quarters, except for the followings:

For the quarter	Name of the Bank	Nature of current assets	Nature of discrepancy	As per unaudited books of accounts (in lakhs)	Amount as per quarterly return & statements (in lakhs)	Amount of difference (in lakhs)	Remarks including subsequent rectification if any
March 2025	Kotak Mahindra Bank	By - product	As informed by the management, at the time of submission of stock statement to bank, stock of some of the by-products were not taken. But at the time of finalization of quarterly results, the said was considered and hence the difference.	372.64	40.99	331.65	No revised statement filed by the company

- iii. During the year, the Company has not provided any guarantee or security to companies, firms, limited liability partnerships and any other parties. During the year, the Company has granted unsecured loans to other parties.
- a) During the year, the Company has provided loans to other parties in respect of which:
- (i) During the year, aggregate amount of loan provided to other parties (Employees) is Rs. 0.08 lakhs during the year and balance outstanding at the balance sheet date is Rs. 0.08 Lakhs.
- b) In our opinion and according to the information and explanations given to us, the terms and conditions of loans and advances provided are, prima facie, not prejudicial to the Company's interest.
- c) In our opinion and according to the information and explanations given to us, in respect of loans, the schedule of repayment of principal and payment of interest has generally not been stipulated. However, the repayments or receipts are regular during the year.
- d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans outstanding during the year under review.
- e) No amount granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f) The Company has granted loans without specifying the terms or period of repayment during the year, which are as under:

(Rs in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans at the year end	0.08	Nil	Nil
Percentage thereof of total loans granted at the year end	100%	Nil	Nil

- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any investment or given guarantee or security during the year under review. Accordingly, clause 3(iv) of the order is not applicable.
- v. The Company has not accepted any deposits from the public during the year under review. Accordingly, clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India for the maintenance of Cost records specified under section 148 of Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts & records have been made and maintained. 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) The company does not have liability in respect of Service Tax; Duty of excise, Sales tax and value added tax during the year since effective 1st July 2017, these statutory dues has been subsumed in to Goods & Service Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income-tax, duty of customs, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities except Goods & Service Tax which have not been regularly deposited with appropriate authorities.

According to the information and explanation given to us no undisputed amounts payable in respect of provident fund, ESIC, income-tax, Goods & Service Tax, duty of customs, cess and other statutory dues were outstanding as at 31st March, 2025 for a period of more than six months from the date of becoming payable **except dues for (1) deferred sales tax liability amounting to Rs.135.78 lakhs (2) dues of value added tax (VAT) to the tune of Rs.1607.21 lakhs.**

- (b) According to the information and explanations given to us , the following dues of Customs, Income Tax, Sales tax, VAT, Service Tax and Duty of Excise have not been deposited by the company on account of Dispute:

Sr. No.	Name of the statute	Nature of Dues	Financial year to which it relates	From where the dispute is pending	Amount under dispute not yet deposited (Net of Payments) (in Rs lakhs.)
1	Custom Act ,1962	Custom Duty	2011-12	Appellate Tribunal Ahmedabad	50.00
2	Custom Act ,1962	Custom Duty	2012-13	Appellate Tribunal Ahmedabad	449.85
3	Central Excise Act,1994	Central Excise Duty	2008-09 to 2010-2011	Supreme Court of India	590.14
4	Central Excise Act,1994	Central Excise Duty	2005-06 to Sept - 2014	Central Excise Commissioner	626.28
5	Gujarat Value Added Tax Act 2003	Value Added Tax	2015-16	Jt. Value Added Tax Commissioner (Appeal) Rajkot	478.81
6	Gujarat Value Added Tax Act 2003	Value Added Tax	2016-17	Jt. Value Added Tax Commissioner (Appeal) Rajkot	818.95
7	Gujarat Value Added Tax Act 2003	Value Added Tax	2017-18	Jt. Value Added Tax Commissioner (Appeal) Rajkot	238.74
8	Gujarat Value Added Tax Act 2003	Value Added Tax	2012-13	Jt. Value Added Tax Commissioner (Appeal) Rajkot	29.47
9	Gujarat Value Added Tax Act 2003	Value Added Tax	2007-08 & 2008-09	Jt. Value Added Tax Commissioner (Appeal) Rajkot	41.24
10	Goods and Services Tax	GST	2017-18	Jt.Commissioner (Appeal) GST	503.36
11	Goods and Services Tax	GST	2018-19	Jt.Commissioner (Appeal) GST	103.26
12	Income tax Act	Income tax	2017-18	Commissioner of Income tax (Appeals) -12 Ahmedabad	828.97
13	Income tax Act	Income tax	2018-19	Commissioner of Income tax (Appeals) -12 Ahmedabad	1027.54
14	Income tax Act	Income tax	2019-20	Commissioner of Income tax (Appeals) -12 Ahmedabad	474.63
15	Income tax Act	Income tax	2020-21	Commissioner of Income tax (Appeals) -12 Ahmedabad	338.15
16	Income tax Act	Income tax	2021-22	Commissioner of Income tax (Appeals) -12 Ahmedabad	424.12

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, clause 3(ix)(a) of the order is not applicable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short- term basis of Rs. 1225.07 lakhs have, prima facie, been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us, the company does not have subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us, the company does not have subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(f) of the Order 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. Accordingly, clause 3(x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (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 in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not required.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of the entity.
- (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. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, 3(xvi) (a) and 3(xvi) (b) of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve bank of India. Accordingly, 3(xvi)(c) of the Order is not applicable.
- (c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- xvii. After considering the effect of our audit qualifications reported under paragraph 1 of the Basis for Qualified Opinion section of our audit report, the company has incurred cash losses amounting to Rs. 25.71 lakhs during the financial year covered by our audit; but the company has not incurred cash loss in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, 3(xviii) of the Order is not applicable.

- xix. According to the information and explanations given to us, On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx According to the information and explanations given to us by the management, the Corporate Social Responsibility (CSR) is not applicable to the company. Accordingly, clause 3(xx)(a) and (b) of the Order are not applicable.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 25107628BMHGBN3520

Place : Ahmedabad

Date : 30-05-2025

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of S.A.L. STEEL LIMITED of even date)

Report on the Internal Financial Controls with reference to Standalone IND AS Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to Standalone IND AS Financial Statements of **S.A.L. STEEL LIMITED** (the “Company”) as of March 31, 2025 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone IND AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Standalone IND AS Financial Statements issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone IND AS financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to standalone IND AS financial statements (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone IND AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone IND AS financial statements.

Meaning of Internal Financial Controls with reference to Standalone IND AS Financial Statement

A company's internal financial control with reference to standalone IND AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone IND AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone IND AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone IND AS Financial Statement

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone IND AS financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone IND AS financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to standalone IND AS financial statements issued by the ICAI.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 25107628BMHGBN3520

Place : Ahmedabad
Date : 30-05-2025

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
	ASSETS			
1)	Non-current assets			
a)	Property, Plant and Equipment	2	15051.70	14248.12
b)	Capital work-in-progress		100.94	100.94
c)	Other Intangible assets		5.77	5.77
d)	Financial Assets			
(i)	Trade receivables	3	42.69	47.44
(ii)	Loans			-
(iii)	Other Financial Assets	3A	220.38	320.44
e)	Deferred tax assets (net)			-
f)	Other non-current assets	4	16.22	17.77
	TOTAL NON-CURRENT ASSETS		15437.70	14740.47
2)	Current assets			
a)	Inventories	5	9995.19	4950.51
b)	Financial Assets			
(i)	Trade receivables	6	6781.14	6625.02
(ii)	Cash and cash equivalents	7	18.81	20.68
(iii)	Bank balances other than (iii) above			
(iv)	Other Financial Assets	8	32.33	72.41
(v)	Loans	9	5.34	4.64
c)	Current Tax Assets (Net)	9A	58.74	44.89
d)	Other current assets	10	1515.33	1930.67
	TOTAL CURRENT ASSETS		18406.87	13648.81
	TOTAL ASSETS		33,844.58	28,389.30
	EQUITY & LIABILITIES :			
	EQUITY:			
a)	Equity Share capital	11	8496.67	8496.67
b)	Other Equity	12	-4624.43	-4293.84
	TOTAL EQUITY		3872.24	4202.83
	LIABILITIES :			
1)	Non-Current Liabilities			
a)	Financial Liabilities			
(i)	Borrowings	13	12500.00	12500.00
(ii)	Trade payables	14		
	Total outstanding dues of micro enterprises and small enterprises		8.08	102.49
(iii)	Other Financial Liabilities	15		-
b)	Provisions	16	98.01	101.29
c)	Deferred tax liabilities (Net)	17	1773.36	1857.53
d)	Other non-current liabilities			
	TOTAL NON-CURRENT LIABILITIES		14379.45	14561.31
2)	Current liabilities			
(i)	Borrowings	18	5,252.80	-
(ii)	Trade payables	19		
	Total outstanding dues of micro enterprises and small enterprises			-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		2045.90	3933.05
(iii)	Other financial liabilities	20	297.88	318.47
(iv)	Other current liabilities	21	7889.70	5253.43
(v)	Provisions	22	106.62	120.21
(vi)	Current Tax liability (Net)	22A	-	-
	TOTAL CURRENT LIABILITIES		15,592.89	9,625.16
	TOTAL LIABILITIES		29,972.34	24,186.47
	Total Equity and Liabilities		33,844.58	28,389.30

The accompanying Notes 1 to 65 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN : 25107628BMHGBN3520

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 30th May, 2025

For and on behalf of the Board of Directors,
SAL Steel Limited

[Rajendra V Shah]
Chairman
DIN: 0020904

[Mrinal Sinha]
Whole Time Director
DIN: 09482143

[B L Singhal]
Whole Time Director cum CFO
DIN: 01484213

[Radhika P. Soni]
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31 st March, 2025	Year ended 31 st March, 2024
I	Revenue from Operations	23	54411.56	57664.14
II	Other Income	24	86.57	158.47
III	Total Income (I +II)		54498.13	57822.62
IV	Expenses:			
	Cost of Materials Consumed	25	46773.91	44280.67
	Purchases of Stock-in-Trade	26	-	-
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	27	-1727.66	387.53
	Employee Benefits Expense	28	1209.53	1405.90
	Finance Costs	29	1666.87	1274.15
	Depreciation and Amortization Expense		1057.10	962.27
	Other Expenses	30	5833.40	9447.86
	Total Expenses (IV)		54813.15	57758.38
V	Profit before Exceptional Item (III- IV)		-315.02	64.24
	Exceptional Items		415.59	-
	(Refer note no. 46 of notes forming part of financial statement)			
VI	Profit before tax (III- IV)		-730.60	64.24
VI	Tax expense :			
	Current Tax		-	14.97
	Short /(Excess) Provision of earlier years		-	-0.12
	Deferred Tax		-88.16	2.41
	Total Tax Expenses (VII)		-88.16	17.27
VII	Profit for the period (V -VI)		-642.44	46.96
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss		-15.85	-3.69
	(ii) Income tax relating to items that will not be reclassified to profit or loss		3.99	0.93
B	(i) Items that will be reclassified to profit or loss			-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
	Total Other Comprehensive Income (VIII)		-11.86	-2.76
IX	Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)		-630.59	49.72
X	Earnings per equity share (Face Value of Rs 10/- each)		-0.76	0.06
	Basic & Diluted	31		

The accompanying Notes 1 to 65 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN : 25107628BMHGBN3520

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 30th May, 2025

For and on behalf of the Board of Directors,
SAL Steel Limited

[Rajendra V Shah]
Chairman
DIN: 0020904

[Mrinal Sinha]
Whole Time Director
DIN: 09482143

[B L Singhal]
Whole Time Director cum CFO
DIN: 01484213

[Radhika P. Soni]
Company Secretary

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2025

(Amount ₹ in Lakhs)

S. No.	Particulars	2024-25		2023-24	
		Amount		Amount	
(A)	CASH FLOW FROM OPERATING ACTIVITIES:				
	NET PROFIT/(LOSS) BEFORE TAX		-730.60		64.24
	Add/(Less):				
	Depreciation and amortization expense	1057.10		962.27	
	Loss / (Profit) on sale of Assets	-0.45		-	
	Financial Cost	1666.87		1274.15	
	Interest Income	-39.70	2,683.82	-17.64	2,218.78
			1,953.22		2,283.02
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
	Adjustments for:				
	Trade and Other Receivables (Including Loans and Advances & other financial Assets & other non current assets)	351.02		-1226.61	
	Inventories	-5044.68		916.85	
	Trade Payables and other liabilities(Including Provisions and other financial liabilities)	633.10	-4060.56	664.44	354.68
	CASH GENERATED FROM OPERATIONS		-2107.34		2,637.70
	Less: Income Tax Paid		-		-14.86
	CASH FLOW BEFORE EXTRA ORDINARY ITEMS		-2107.34		2,622.84
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)		-2,107.34		2,622.84
(B)	CASH FLOW FROM INVESTING ACTIVITIES:				
	Sale Proceeds of Assets	1.75		-	
	Interest Income	39.70		17.64	
	Purchase of Fixed Assets / CWIP	-1861.98		-1363.55	
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		-1820.53		-1345.91
(C)	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from Borrowings	5252.80		-	
	Proceeds from Share warrants.	300.00			
	Financial Expenses.	-1666.87		-1274.15	
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		3885.92		-1274.15
	NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS(A+B+C)		-41.95		2.79
	Cash & Cash Equivalent in the Beginning of the year		93.09		90.30
	Cash & Cash Equivalent in the Closing of the year		51.15		93.09

Note:

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cashflows.

This is the Cashflow Statement referred to in our report of even date.

Cash and Bank Balances:	As At March 31, 2025	As At March 31, 2024
Balances with banks (in Current Accounts)	17.94	18.45
Balances with banks (in Guarantee Money)	32.33	72.41
Cash on Hand	0.87	2.22
Total	51.15	93.09

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN : 25107628BMHGBN3520

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 30th May, 2025

For and on behalf of the Board of Directors,
SAL Steel Limited

[Rajendra V Shah]
Chairman
DIN: 0020904

[Mrinal Sinha]
Whole Time Director
DIN: 09482143

[B L Singhal]
Whole Time Director cum CFO
DIN: 01484213

[Radhika P. Soni]
Company Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	Amount
Balance as at 1 st April 2024	8,496.67
Changes during the year	-
Balance as at 31 st March, 2025	8,496.67

Other Equity as at 1st April 2023

(Amount ₹ in Lakhs)

Particulars	General Reserve	Convertible Share Warrants	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance at the beginning of the reporting period	5.11		2,878.20	800.00	(8,076.70)	(49.82)	(4,343.57)
Other Comprehensive Income arising from Remeasurement of defined benefit obligation net of Income Tax	-		-	-	-	(2.76)	(2.76)
Profit for the year	-		-	-	46.96	-	46.96
Balance at the end of the reporting period	5.11		2,878.20	800.00	(8,029.73)	(52.58)	(4,293.84)

Other Equity as at 1st April 2024

(Amount ₹ in Lakhs)

Particulars	General Reserve	Convertible Share Warrants	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance at the beginning of the reporting period	5.11		2,878.20	800.00	(8,029.73)	(52.58)	(4,293.84)
Other Comprehensive Income arising from Remeasurement of defined benefit obligation net of Income Tax	-		-	-	-	(11.86)	(11.86)
Share warrants allotted during the year.	-	300.00	-	-	-	-	300.00
Profit for the year	-		-	-	(642.44)	-	(642.44)
Balance at the end of the reporting period	5.11	300.00	2,878.20	800.00	(8,672.18)	(64.43)	(4,624.43)

The accompanying Notes 1 to 65 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN : 25107628BMHGBN3520

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 30th May, 2025

For and on behalf of the Board of Directors,
SAL Steel Limited

[Rajendra V Shah]
Chairman
DIN: 0020904

[Mrinal Sinha]
Whole Time Director
DIN: 09482143

[B L Singhal]
Whole Time Director cum CFO
DIN: 01484213

[Radhika P. Soni]
Company Secretary

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025:

MATERIAL ACCOUNTING POLICIES DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES

1.1 CORPORATE INFORMATION

The Company SAL Steel Limited (CIN L29199GJ2003PLC043148) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange. The company is engaged in manufacturing Sponge Iron, Ferro Alloys and power and the products manufactured by the company are sold in the domestic market as well as international market. Because of the Captive power generation, company has advantage of low power cost per unit of manufacturing. Company is generating 40 MW Power from waste Heat recovery Boiler & Fluidized Bed Combustion boiler with economic price. Power generated is used for captive consumption and surplus power is sold.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENT

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 – 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied consistently to all the periods presented in the financial statements.

The financial statements are presented in Indian Rupees in lakhs ('INR Rs in lakhs). Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.3 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

RECENT ACCOUNTING PRONOUNCEMENT:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Ministry of Corporate Affairs vide notification dated 9 September 2024 and 28 September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback - Amendments to Ind AS 116

These amendments did not have any impact on the amounts recognised in current or prior period. Further, On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

MATERIAL ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

1.4 PROPERTY, PLANT AND EQUIPMENT:

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- iv) Property, Plant and Equipment are depreciated and/or amortized on as per the Straight line method on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013 . The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- v) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use.
- vi) An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.
- vii) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
 - Buildings - 30 to 60 years
 - Plant and Equipments - 15 to 25 years
 - Furniture and Fixtures - 10 years
 - Vehicles - 8 to 10 years
 - Office Equipments - 5 years
 - Computers – 3 years
- viii) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.
- ix) Cost is reduced by accumulated depreciation and impairment and amount representing assets discarded or held for disposal.

1.5 INTANGIBLE ASSETS:

- i) Intangible assets acquired by payment e.g. Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- iii) Intangible assets are amortized on straight-line method as follows :
 - Computer Software - 5 years
- iv) At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

1.6 Revenue Recognition

- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided.

The Company recognizes revenue generally at a point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer

In revenue arrangements with multiple performance obligations, the Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

- ii) Services: Revenue from Services are recognized as and when the services are rendered.
- iii) Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- iv) Export Benefits are accounted on accrual basis.

1.7 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third-party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.8 Valuation of Inventories

- i) The cost of inventories has been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, Packing Material, Power & Fuel and Folders are valued at cost; and of those in transits and at port related to these items are valued at cost.

- iv) Goods-in-process is valued at lower of cost or net realizable value.
- v) Stock of Finished goods and By-products is valued at lower of cost or net realizable value.
- vi) Stock-in-trade is valued at lower of cost or net realizable value.

1.9 Cash flow statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank,

cash/Cheques in hand and short-term investments with an original maturity of three months or less.

1.10 FINANCIAL ASSETS:

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables represent receivables for goods sold by the Company up to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.
- iv) A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

1.11 FINANCIAL LIABILITIES:

- i) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- ii) Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iii) Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially and subsequently measured at amortized cost.
- iv) Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.12 FAIR VALUE MEASUREMENT:

- i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.
- ii) The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii) A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

- iv) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- v) The assets and liabilities which has been measured at fair value is Derivatives

1.13 FOREIGN CURRENCY TRANSACTIONS:

- i) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.
- ii) Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

1.14 BORROWING COSTS:

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

1.15 ACCOUNTING FOR TAXES ON INCOME:

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences; the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities are disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation;(b) when no reliable estimate is possible;(c) unless the probability of outflow of resources is remote.

- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.17 CURRENT AND NON-CURRENT CLASSIFICATION:

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realized or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within twelve months after the reporting period; (d) Cash and 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.
- iv) A liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) 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.

1.18 RELATED PARTY TRANSACTIONS:

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statements
 - (a) A person or a close member of that person's family is related to reporting entity if that person;
 - (i) Has control or joint control of the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
 - (b) An entity is related to a reporting entity if any of the following conditions applies;
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)
 - (i) Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- ii) A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- iii) Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

1.19 EARNINGS PER SHARE:

- i) 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.
- ii) 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.

1.20 LEASE

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

1.21 Critical Accounting Judgments, Assumptions and Key Sources of Estimation

Uncertainty

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:

(i) Determination of Functional Currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

(ii) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

b) Assumptions and Estimation Uncertainties

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

(i) Useful lives of Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/ depreciable amount is charged over the remaining useful life of the assets.

(ii) Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(iii) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Group.

(iv) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to the Financial Statements for the year ended 31st March, 2025

NOTE 2: PROPERTY, PLANT & EQUIPMENTS

TANGIBLE ASSETS

(Amount ₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant and Machineries	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Total
Cost of Assets								
As at 1st April 2023	730.56	4630.61	29961.19	61.96	896.26	45.45	103.19	36429.22
Addition	0.00	0.00	1581.99	0.00	0.00	0.00	0.00	1,581.99
Disposal/Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
As at 31st March 2024	730.56	4630.61	31543.18	61.96	896.26	45.45	103.19	38011.21
Addition	-	-	1,861.98	-	-	-	-	1,861.98
Disposal/Adjustments	-	-	-	-	25.99	-	-	25.99
As at 31st March 2025	730.56	4630.61	33405.16	61.96	870.26	45.45	103.19	39847.19
Depreciation								
As at 1st April 2023	-	2,440.15	19,337.11	58.86	823.22	43.49	98.00	22800.83
Charge for the year	-	143.45	814.30	-	4.52	-	-	962.27
Disposal/Adjustments	-	-	-	-	-	-	-	-
As at 31st March 2024	-	2583.60	20151.41	58.86	827.74	43.49	98.00	23763.10
Charge for the year	-	143.45	909.13	-	4.52	-	-	1057.10
Disposal/Adjustments	-	-	-	-	24.69	-	-	24.69
As at 31st March 2025	0.00	2727.05	21060.54	58.86	807.56	43.49	98.00	24795.50
Net Block								
As at 31st March 2024	730.56	2047.01	11391.76	3.10	68.52	1.97	5.19	14248.12
As at 31st March 2025	730.56	1903.56	12344.62	3.10	62.70	1.97	5.19	15051.70

INTANGIBLE ASSETS

(Amount ₹ in Lakhs)

PARTICULARS	SOFTWARE	TOTAL
Cost of Assets		
As at 1st April 2023	115.30	115.30
Addition	-	-
Disposal/Adjustments	-	-
Other adjustment	-	-
As at 31st March 2024	115.30	115.30
Addition	-	-
Disposal/Adjustments	-	-
Other adjustment	-	-
As at 31st March 2025	115.30	115.30
Depreciation		
As at 1st April 2023	109.53	109.53
Charge for the year	-	-
Disposal/Adjustments	-	-
As at 31st March 2024	109.53	109.53
Charge for the year	-	-
Disposal/Adjustments	-	-
As at 31st March 2025	109.53	109.53
Net Block		
As at 31st March 2024	5.77	5.77
As at 31st March 2025	5.77	5.77

CAPITAL WORK IN PROGRESS

(Amount ₹ in Lakhs)

Opening balance as at 01-4-2024	100.94
Add: Addition During the year	-
Less: Deduction During the year	-
Closing Balance as at 31-03-2025	100.94
(Building and Plant & Machinery)	
Total	100.94

CAPITAL WORK IN PROGRESS (CWIP)

(Amount ₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31 March 2025					
Project in Progress	-			100.94	100.94
projects temporarily suspended	-	-	-	-	-
As At 31 March 2024					
Project in Progress	-	-	-	100.94	100.94
projects temporarily suspended	-	-	-	-	-

NOTE NO : 3 TRADE RECEIVABLES

(Amount ₹ in Lakhs)

PARTICULARS	31.03.2025	31.03.2024
Non-current Trade Receivable		
Unsecured, considered good	47.43	47.44
Less: Expected Credit Loss Provision	4.74	-
	42.69	47.44

(Amount ₹ in Lakhs)

Particulars FY 2024-25	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	-	-	-	-	-	47.43	47.43
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	47.43	47.43
Less : Expected Credit Loss provision						4.74	4.74
GRAND TOTAL	-	-	-	-	-	42.69	42.69

(Amount ₹ in Lakhs)

Particulars FY 2023-24	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	-		-	-	-	47.44	47.44
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-		-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-		-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-		-	-	-	-	-
(v) Disputed Trade Receivables Which have significant increase in credit risk	-		-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-		-	-	-	-	-
Sub Total	-		-	-	-	47.44	47.44
GRAND TOTAL	-		-	-	-	47.44	47.44

NOTE NO : 3A OTHER FINANCIAL ASSETS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Security Deposit		
Unsecured,considered good	219.88	319.94
Deposits with Schedule Bank	0.50	0.50
	220.38	320.44

NOTE NO : 4 OTHER NON-CURRENT ASSETS :

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Other Loan and advances		
Unsecured,considered good	17.76	17.77
Less : Expected Credit Loss provision	1.54	
	16.22	17.77

NOTE NO : 5 INVENTORIES : (AS TAKEN, VALUED & CERTIFIED BY MANAGEMENT)

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Raw Materials (including goods in transit of Rs. 1438.2 lakhs)	3860.77	918.99
(b) Work in progress	65.45	89.97
(c) Finished goods	2567.99	982.90
(d) Stores and spares	3128.33	2753.09
(e) By Product	372.64	205.55
	9995.19	4950.51

NOTE NO : 6 TRADE RECEIVABLES

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
(i) Outstanding for a period exceeding six months Un Secured, considered good	-	-
(ii) Others Un Secured, considered good	6781.14	6625.02
TOTAL	6781.14	6625.02

Trade Receivables includes Rs 6487.46 lakhs in CY and Rs. 6562.57 Lakhs in PY from Associated concerns (i.e. Shah Alloys Ltd) in which director of a Company is interested.

(Amount ₹ in Lakhs)

Particulars FY 2024-25	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	129.59	6,651.55	-	-	-	-	6,781.14
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Sub Total	129.59	6,651.55	-	-	-	-	6,781.14
Less : Allowance for doubtful trade receivable -Billed	-	-	-	-	-	-	-
GRAND TOTAL	129.59	6,651.55	-	-	-	-	6,781.14

(Amount ₹ in Lakhs)

Particulars FY 2023-24	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	60.19	6,564.83	-	-	-	-	6,625.02
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Sub Total	60.19	6,564.83	-	-	-	-	6,625.02
Less : Allowance for doubtful trade receivable -Billed	-	-	-	-	-	-	-
GRAND TOTAL	60.19	6,564.83	-	-	-	-	6,625.02

NOTE NO : 7 CASH AND CASH EQUIVALENTS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Balances with Scheduled Banks		
In current Account	17.94	18.45
(b) Cash on hand	0.87	2.22
	18.81	20.68

NOTE NO : 8 OTHER FINANCIAL ASSETS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Balances with banks (in Guarantee Money)	32.33	72.41
	32.33	72.41

NOTE NO : 9 LOANS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, considered good		
Loans and Advances to Employees	5.34	4.64
	5.34	4.64

NOTE NO : 9A CURRENT TAX ASSETS (NET)

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Current Tax Assets (Net)	58.74	44.89
	58.74	44.89

NOTE NO : 10 OTHER CURRENT ASSETS :

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, considered good		
Balance with government authorities	79.21	28.66
Prepaid Expenses	7.94	186.44
Advance to Suppliers	1428.69	1715.56
Less : Expected Credit Loss Provision	0.50	-
	1515.33	1930.67

NOTE NO : 11 SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Authorised :		
14,00,00,000 Equity Shares of Rs 10/- each (Previous year : 14,00,00,000 Equity Shares of Rs 10/- each)	14000.00	14000.00
	14000.00	14000.00
Issued & Subscribed and Paid up :		
8,49,66,700 Equity Shares of Rs.10/- each fully paid up (Previous year : 8,49,66,700 Equity Shares of Rs.10/- each fully paid up)	8496.67	8496.67
	8496.67	8496.67

The Authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of Rs 10/- each as follows:

a) Reconciliation of number of shares :

Equity Shares	As at 31 st March, 2025		As at 31 st March, 2024	
	Number of shares	Amount ₹ in lakhs	Number of shares	Amount ₹ in lakhs
Shares outstanding at the beginning of the year	8,49,66,700	8,496.67	8,49,66,700	8,496.67
Changes during the Year	-	-	-	-
Shares Outstanding at the end of the year	8,49,66,700	8,496.67	8,49,66,700	8,496.67

b) Terms/rights, preferences and restrictions attached to securities:

Equity shares:

The company has one class of equity share having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Shareholders holding more than 5% in the Company:

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Shah Alloys Limited (*)	3,02,56,989	35.61	3,02,56,989	35.61
SAL Care Pvt Limited	1,27,02,506	14.95	1,27,02,900	14.95
Total		50.56		50.56

(*) Out of 3,02,56,989 shares held by Shah Alloys Ltd. 195 Lakhs shares are pledged to consortium banks

d) Details of shares held by promoters

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Shah Alloys Limited	3,02,56,989	35.61	3,02,56,989	35.61
SAL Care Pvt Limited	1,27,02,506	14.95	1,27,02,900	14.95
Total		50.56		50.56

(Note : There is no change in the % holding of the Promoters as compared to Previous year.)

NOTE NO : 12 OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
Securities Premium Account				
Opening Balance	2878.20		2878.20	
Add : Addition during the year	-		-	
	2878.20	2878.20	2878.20	2878.20
Capital Reserve				
Opening Balance	800.00		800.00	
Add : Addition during the year	-		-	
	800.00	800.00	800.00	800.00
Share Warrant application money (partly paid)	-			
Add : Addition during the year	300.00	300.00		
(Refer note no. 62 of notes to financial statement)				
Capital Redemption Reserve				
(For Redemption of Preference Share Capital)				
General Reserve				
Opening Balance	5.11		5.11	
Add : Addition during the year	-	5.11	-	5.11

Particulars	As at 31 st March, 2025		As at 31 st March, 2024	
	5.11		5.11	
Retained Earnings				
Balance Brought Forward From Previous Year	-8029.73		-8076.70	
Add: Profit for the year	-642.44		46.96	
	-8672.18	-8672.18	-8029.73	-8029.73
Other Comprehensive Income/(Expenses)				
Re-measurement of the defined benefit plans				
Opening Balance	-52.58		-49.82	
Add: Addition during the year	-11.86		-2.76	
Closing Balance		-64.44		-52.58
		-4624.43		-4293.84

Purpose of Reserve

Security Premium : Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve : As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013

Retained Earnings : Retained Earnings are the profits and gains that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

Capital Reserve : The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

NOTE NO : 13 BORROWINGS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Inter Corporate Deposit	12500.00	12500.00
	12500.00	12500.00

Secured Borrowings:

(a) Nature of security and terms of repayment for secured borrowings:

The above deposit is secured by way of first charge and mortgage of immovable property situated at Surevy no 316 (old block / survey no 245/ paikee) together factory building thereon situated at Bharpur , Taluka Gandhidham District -Kutch .Further Secured by way of movable assets excluding current assets but including movable plant and machinery , machinery spares, tools and accessories , furniture and fixtures, vehicles and all other movable assets excluding current assets located on land situated at survey no 316 (old block / survey 245/paikee) both present and future.

b) Further secured by way of personal guarantees of Shri Rajendrabhai V. Shah

Repayment Schedule

(Amount ₹ in Lakhs)

Particulars	Payable in FY 2025-26	Payable in FY 2026-27	Payable in FY 2027-28
AIA Engineering Limited	-	-	12,500.00
TOTAL	-	-	12,500.00

NOTE NO : 14 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	As at 31.03.2025	As at 31.03.2024
Total Outstanding dues of micro enterprises and small enterprises		
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8.08	102.49
	8.08	102.49

(Amount ₹ in Lakhs)

Particulars F Y 2024-25	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	-	-	8.08	8.08
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	-	-	8.08	8.08

(Amount ₹ in Lakhs)

Particulars F Y 2023-24	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	-	-	102.49	102.49
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	-	-	102.49	102.49

NOTE NO : 15 OTHER FINANCIAL LIABILITES

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Deposit from Customers	-	-
	-	-

NOTE NO : 16 LONG TERM PROVISIONS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for Gratutiy	98.01	101.29
	98.01	101.29

NOTE NO : 17 DEFERRED TAX LIABILITIES (NET)

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Deferred Tax Liabilities		
Timing Difference of Depreciation	1908.05	1906.78
Deferred Tax Assets		
Disallowance of Employee Benefits	134.69	49.25
Net Deferred Tax Liabilities	1773.36	1857.53

NOTE NO : 18 BORROWINGS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Secured Loan From Kotak Mahindra Bank		
Working Capital Demand Loan	3986.99	-
Cash Credit	1265.81	-
	5252.80	-

Secured Borrowings:
(a) Nature of security for secured borrowings:

Secured by way of first & exclusive charge on all existing and future immovable fixed assets i.e. Land & building located at Revenue Survey No 337,324,433,319,316,325 & 315 (Old survey no 103,105,106,137,140,141,147/1,245/37,245/39) Village Bharapar , Taluka Gandhidham, District Kutch 370201, Land measuring 731739 square meter owned by Company further secured by the way of first & exclusive charge on all existing and future current assets of the company except current assets owned by /charged to M/s AIA Engineering Ltd.

b) Further secured by way of personal guarantees of Shri Rajendrabhai V. Shah, Shri Karan Shah and Corporate guarantee of M/s Shah Alloys Ltd
NOTE NO : 19 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	As at 31.03.2025	As at 31.03.2024
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues other than micro enterprises and small enterprises	2045.90	3933.05
	2045.90	3933.05

(Amount ₹ in Lakhs)

Particulars F Y 2024-25	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	1,610.09	435.82	-	-	-	2,045.90
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	-	-	-	2,045.90

(Amount ₹ in Lakhs)

Particulars F Y 2023-24	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	1,549.58	2,383.47	-	-	-	3,933.05
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	1,549.58	2,383.47	-	-	-	3,933.05

NOTE NO. :19A TRADE PAYABLES - TOTAL OUTSTANDING DUES OF MICRO & SMALL ENTERPRISES*

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
a) The Principal amount and Interest due there on remaining unpaid as at year end: Principal	-	-
b) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Interest accrued and remain unpaid as at year end	-	-
e) Further Interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises	-	-

*Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

NOTE NO : 20 OTHER FINANCIAL LIABILITIES

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Deferred sales tax Liability	135.78	135.78
Salary & Wages Payable	96.59	182.69
Interest Accrued But Not Due on Bank Loan	65.51	-
	297.88	318.47

NOTE NO : 21 OTHER CURRENT LIABILITES

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Advance from customers	4781.80	2749.51
Duties and taxes	1840.04	2353.90
Credit balance in current account with schedule bank	1267.86	150.02
(Book overdraft)		
	7889.70	5253.43

NOTE NO : 22 PROVISIONS

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for Employee benefits.	55.89	60.73
Provision for Gratuity	36.01	33.68
Provision for expenses	14.72	25.80
	106.62	120.21

NOTE NO : 22A CURRENT TAX LIABILITY

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Provision for Taxation (Net of TDS and TCS)	-	-
	-	-

NOTE NO : 23 REVENUE FROM OPERATIONS

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
A. Sale of Products		
Direct Export Turnover	-	763.46
Domestic Turnover	54411.56	56888.44
Gross Turnover	54411.56	57651.90
B. Other Revenue from operations	-	12.24
Total Revenue from operations	54411.56	57664.14

OTHER OPERATING REVENUE AS UNDER

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Duty Drawback & Export Incentives	-	12.24
Total	-	12.24

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Reconciliation of revenue from operations with contracted price:		
Contracted price	54936.26	58280.80
Adjustment:		
Discounts / Rate Difference etc.	-213.52	5.10
Sales Return	-311.17	-633.99
Sales of Product.	54411.56	57651.91
Other Operating Revenue (Including Sales of Services)	0.00	12.24
Revenue from Operations	54411.56	57664.15
Revenue disaggregation by Geography		
India	54411.56	56888.44
Outside India		
UAE	-	392.65
Bangladesh	-	370.81
Other	-	-
TOTAL	54411.56	57651.90

NOTE NO : 24 OTHER INCOME

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Other Income :		
Other Interest (TDS Rs 0.90 Lakhs) (PY Rs 1.06 Lakhs)	39.70	17.64
Rent Income (TDS Rs 0.05 Lakhs (PY Rs 0.03 Lakhs)	1.56	1.56
Profit on Sale of Assets	0.45	-
Foreign exchange fluctuation Gain (Net)	0.15	14.68
Sundry balances written back(Net)	44.71	124.61
	86.57	158.47

NOTE NO : 25 COST OF MATERIALS CONSUMED:

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Cost of Materials Consumed:		
Raw Material Consumed:		
Opening Stock of Raw Material	832.67	2141.02
Add : Purchases	49652.39	42972.32
	50485.06	45113.34
Less : Closing Stock of Raw Material	3711.15	832.67
	46773.91	44280.67

NOTE NO : 26 PURCHASE OF STOCK-IN-TRADE

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Purchase of Stock-in-Trade	-	-
Total	-	-

NOTE NO : 27 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Opening Stock		
Finished Goods	1188.45	1512.98
Stock-in-Progress	89.97	152.97
	1278.42	1665.95
Less : Closing Stock		
Finished Goods	2940.63	1188.45
Stock-in-Progress	65.45	89.97
	3006.08	1278.42
Increase/(Decrease) in Stock of Finished Goods & Stock-in-Progress	-1727.66	387.53

NOTE NO : 28 EMPLOYEE BENEFITS EXPENSES

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Salary & Bonus	1103.34	1257.66
Contribution to Provident Fund etc.	52.35	65.41
Staff welfare expenses	53.83	82.83
	1209.53	1405.90

NOTE NO : 29 FINANCE COSTS

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Bank Interest	343.44	-
Interest on ICD	1250.00	1253.42
Other Financial Charges	50.53	1.23
Interest to Others	22.91	19.49
	1666.87	1274.15

NOTE NO : 30 OTHER EXPENSES

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025		Year Ended on 31.03.2024	
Stores & Spares Consumed :				
Opening Stock	2753.09		1974.41	
Add : Purchases	949.92		2301.06	
	3703.01		4275.46	
Less: Closing Stock	3128.33	574.68	2753.09	1522.37
Power & fuel (Including cost of power generation)		3534.79		6722.18
Repairs & Maintenance :				
Machinery	40.12		40.83	
Building	-		0.83	
Others	1.46	41.58	10.99	52.65
Labour charges		1217.42		488.15
Freight outward		128.76		223.79
Audit Fees*		8.00		8.00
Sales Commision		68.26		11.64
General/ Miscellaneous Expenses		158.95		236.82
Insurance Expenses		9.99		8.67
Legal & Professional Charges		78.51		140.40
Expected Credit Loss		6.78		-
Rent,Rate and Taxes		5.67		33.19
		5833.40		9447.86

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
As auditors - Statutory audit	8.00	8.00
For other Services	-	-
	8.00	8.00

NOTE NO : 31 EARNINGS PER SHARE

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Basic/Diluted Earnings per Share		
Number of Equity Shares at the beginning of the year	84966700	84966700
Number of Equity Shares allotted during the year		
Number of Equity Shares at the end of the year	84966700	84966700
Weighted average number of equity shares		
Profit for the year (after tax,available for equity shareholders) In Rs	-642.44	46.96
Basic and Diluted Earnings Per Share Rs	-0.76	0.06

NOTE NO : 31-A CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
(A) Contingent liabilities:		
a) Claims against the Company not acknowledged as debts:		
Disputed Excise Demand (Matter Under appeal)	1216.42	1216.42
Disputed Custom duty demand (Matter Under appeal)	499.85	499.85
Disputed Income Tax demand (Matter Under appeal)	3701.23	3093.41
Disputed VAT demand (Matter Under appeal)	1607.21	1607.21
Disputed GST demand (Matter Under appeal)	606.62	503.36
Others	124.46	275.76

It is not practical for the company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities applicable, in its financial statements. The company does not expect the outcome of these proceedings to have materially adverse impact on its financial results.

(B) Commitment:

Estimated amount of contracts, remaining to be executed on capital account and not provided for Rs.Nil net of advance (Previous Year: Rs.Nil).

Commercial Tax Department has challenged by way of Tax Appeal before Supreme Court, the order of Gujarat High Court wherein Judgment of Joint Commissioner of Commercial Tax (Legal) was quashed and decided that non cooking coal used in the manufacturing process for Sponge Iron as raw material and eligible for ITC under Section 11 (3)(b). The result of the appeal will decide whether company has to claim amount of ITC or refund ITC already taken. However, amount of contingent liability cannot be ascertained.

32. Segment Reporting:

The Company is manufacturing Ferro Alloys & Sponge Iron, which is basically used in Iron & Steel Industry. Further power generated in the company in its power plant is used for captive as well as trading purpose. In view of this, the company has to consider "Iron & Steel" and "Power" as Primary Reportable business segment, as per Indian Accounting Standard – 108 'Operating Segments' Reporting. However, due to substantial competition, risk, on-going position of Company and largely in the interest of the Company as well as interest of the stake holders involved, management has not made disclosure of Primary Reportable segment as per Indian Accounting Standard – 108 'Operating Segments'. All the assets are located in the company's country domicile.

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31.03.2025	Year Ended on 31.03.2024
Revenue from		
-Outside India	Nil	775.70
-In India	54411.56	56888.44

Four customers have contributed 10% or more to the company's revenue for 2024-25 Amounting to Rs.37110.55 Lakh (Including GST) and in 2023-24 Two customers have contributed 10% or more to the company revenue amounting to Rs. 45708.20 Lakh. (Including GST)

33. Financial and derivative instruments

- Capital Management
The company's objective when managing capital is to:
- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset; financial liability and equity instrument are disclosed in accounting policies as stated above:

(i) Categories of Financial Instruments

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Financial Assets		
Measured at Amortized Cost		
(i) Trade and Other Receivables	6823.83	6672.46
(ii) Cash and Cash Equivalents	18.81	20.68
(iii) Loans	5.34	4.64
(iv) Other Financial Assets	32.33	72.41
(v) Bank balances other than (ii) above	-	-
Financial Liabilities		
Measured at Amortized Cost		
(i) Borrowings	17752.80	12500.00
(ii) Trade Payables	2053.98	4035.54
(iii) Other Financial Liabilities	297.88	318.47

(ii) Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(iii) Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Interest Rate Risk

The Company's interest rate risk arises from the Long-Term Borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount ₹ in Lakhs)

Particulars	Due in 1 Year	1 Year - 3 Years	More than 3 Years	Total
As at 31st March, 2025				
Borrowings	5252.80	12500.00	--	17752.80
Trade Payables	2045.90	--	8.08	2053.98
Other Financial Liabilities	297.88	--	--	297.88
As at 31st March, 2024				
Borrowings	--	12500.00	--	12500.00
Trade Payables	3933.05	--	102.49	4035.54
Other Financial Liabilities	318.47	--	--	318.47

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 3 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables. The Company has analyzed its trade receivables for gaining analysis and grouped them accordingly and then applied ear wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

The Company has a detailed review mechanism of overdue customer receivables at various levels within organization to ensure proper attention and focus for realization.

(Amount ₹ in Lakhs)

Particulars	Up to 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2025				
Loans to Employees	5.34	--	--	5.34
Trade Receivables	6781.14	--	42.69	6823.83
As at 31st March, 2024				
Loans to Employees	4.64	--	--	4.64
Trade Receivables	6625.02	--	47.44	6672.46

(a) For hedging currency

(Amount ₹ in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Outstanding Forward Contract	NIL	NIL

34. DISCLOSURES REGARDING EMPLOYEE BENEFITS

As per Indian Accounting Standard 19 “Employee Benefits” the disclosures are given below:

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

(Amount ₹ in Lakhs)

Particulars	2024-25	2023-24
Employers contribution to provident fund	52.35	65.41

- (i) Defined Contribution Plan: Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organization established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.
- (ii) Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

- (iii) Major risk to the plan

I have outlined the following risks associated with the plan:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This

assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(iv) **Defined Benefit Cost**

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Current Service Cost	16.66	17.17
Net Interest Cost	8.45	7.48
Defined Benefit Cost included in Profit and Loss	25.11	24.65
Defined Benefit Cost included in Other Comprehensive Income	-15.85	-3.69
Total Defined Benefit Cost in Profit and Loss and OCI	9.26	20.96

Movement in Defined benefit liability:

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Opening Defined Benefit Obligation	134.97	117.82
Interest Expense on Defined Benefit Obligation (DBO)	8.45	7.48
Current Service Cost	16.66	17.17
Total Re-measurements included in OCI	-15.85	-3.69
Less: Benefits paid	10.22	3.81
Less: Contributions to plan assets	-	-
Closing benefit obligation	134.02	134.97

(v) **Sensitivity Analysis of Defined Benefit Obligation:**

(Amount ₹ in Lakhs)

	2024-25	2023-24
(A) Discount rate Sensitivity		
Increase by 0.5%	131.07	133.55
(% change)	-2.20%	-1.05%
Decrease by 0.5%	137.12	139.76
(% change)	2.31%	3.55%
(B) Salary growth rate Sensitivity		
Increase by 0.5%	137.15	139.80
(% change)	2.33%	3.58%
Decrease by 0.5%	131.02	133.48
(% change)	-2.24%	-1.11%
(C) Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	134.06	136.68
(% change)	0.03%	1.27%
W.R. x 90%	133.92	136.40
(% change)	-0.07%	1.05%

(vi) **Principle Actuarial assumptions:**

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Discount Rate	6.60% p.a.	7.15% p.a.
Salary Growth Rate	5.00% p.a.	5.00% p.a.
Withdrawal rate	30% at younger ages reducing to 5% at older ages	30% at younger ages reducing to 5% at older ages

(vii) The above details are certified by the actuary.

- 35.** Certain Balance of Debtors, Creditors, is non- moving / sticky since last 3 years. However, in view of the management, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
- 36.** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
- 37.** The balance confirmations from the suppliers and customers have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, advance from customers and trade payables have been taken as per the books of accounts submitted by the management of the company and are subject to confirmation from the respective parties.

38. RELATED PARTY DISCLOSURES:

List of Related Parties and Relationships:

i. Concern where significant interest exists :

Name of the Concern	Nature of Relationship
Shah Alloys Limited	Enterprises over which Key Managerial personnel have significant influence
SAL Care Private Limited	Enterprises over which Key Managerial personnel have significant influence
SAL Corporation Pvt Ltd	Enterprises over which Key Managerial personnel have significant influence
Adarsh Foundation	Enterprises over which Key Managerial personnel have significant influence

ii. Key Management Personnel:

Name of the Key Management Personnel	Nature of Relationship
Shri Rajendra V Shah (Chairman)	Key Management Personnel
Shri Sujal A Shah (till 09.04.2024)(Executive Director)	Key Management Personnel
Shri B M Singhal (Whole Time Director cum CFO)	Key Management Personnel
Shri J.P. Goyal (till 13.05.2023) (Whole time Director)	Key Management Personnel
Shri Piyush Chandarana (till 25.05.2024) (Whole time Director)	Key Management Personnel
Shri Mrinal Sinha (from 12.11.2024)(Whole time Director)	Key Management Personnel
Shri Vinay Kumar Mishra (till 24.07.2024) (Company Secretary)	Key Management Personnel
Shri Manish Daulani (till 12.08.2023) (Company Secretary)	Key Management Personnel
Mrs. Radhika P Soni (from 18.03.2025) (Company Secretary)	Key Management Personnel
Mr. Ambalal C. Patel (till 27-09-2024)(Independent Director)	Key Management Personnel
Mr. Tejpal S. Shah (till 05/12/2023) (Independent Director)	Key Management Personnel
Harshad M. Shah (till 31.3.2024) (Independent Director)	Key Management Personnel
Mr. Shrikanth N. Jhaveri (till 27.09.2024)(Independent Director)	Key Management Personnel
Mrs. Shefali M. Patel (Independent Director)	Key Management Personnel
Mrs. Nipa Jayraj Shah(from 12.11.2024)(Independent Director)	Key Management Personnel
Mr. Bipinbhai Gosaliya (Independent Director)	Key Management Personnel
Mr. Mitesh V. Jariwala (Independent Director)	Key Management Personnel
Karan R. Shah	Close member of KMP
Ragini R. Shah	Close member of KMP

(Related Parties have been identified by the Management)

(a) Disclosure of Related Party Transactions (Amount ₹ In lakhs)

Sr No.	Related Party	Nature of Transaction	2024-25	2023-24
1.	Shah Alloys Limited	Purchases	1100.31	105.01
		Balance as at the year end	-838.55	Nil
		Sales (Incl Power)	7141.37	27153.71
		Balance as at the year end	6487.46	6562.57
2	SAL Corporation Pvt Ltd	Sales	16.80	Nil
		Balance as at the year end	Nil	Nil
3	SAL Care Pvt Ltd	Convertible Share Warrants	300.00	Nil
4.	Adarsh Foundation	CSR Payment	Nil	Nil
	Key Management Personnel			
5.	Mr. Sujal Shah	Salary	0.11	4.32
6.	Mr. B.M Singhal	Salary	6.72	6.72
7	Mr. Piyush Chandarana	Salary	1.82	9.51
8.	Mr. J.P.Goyal	Salary	-	3.09
9	Shri Mrinal Sinha	Salary	5.82	Nil
10	Mr.Vinay Kumar Mishra	Salary	4.21	7.83
11	Mr. Manish Daulani	Salary	Nil	3.77
12	Mrs. Radhika P Soni	Salary	0.30	Nil
13	Mr. Ambalal C. Patel	Siting Fees	0.70	0.90
14	Mr. Tejpal S. Shah	Siting Fees	Nil	0.40
15	Harshad M. Shah	Siting Fees	Nil	0.60
16	Mr. Shrikanth N. Jhaveri	Siting Fees	0.70	1.10
17	Mrs. Shefali M. Patel	Siting Fees	1.20	1.10
18	Mr. Bipinbhai Gosaliya	Siting Fees	0.80	Nil
19	Mr. Mitesh V. Jariwala	Siting Fees	0.90	Nil
20	Mrs. Nipa Jayraj Shah	Siting Fees	0.20	Nil

The remuneration of directors and other members of Key management personal during the year are as follows:

(Amount ₹ in Lakhs)

Particulars	2024-25	2023-24
Short term Benefits	18.98	35.24

39 As stated by the Management, the Company has not recognized any Impairment of entire Capital Work in Progress (CWIP) of Rs. 100.94 lakhs for the year ended on 31/03/2025. The management has assessed the carrying amount of CWIP based on expected future economic benefits. The management believes that the carrying value of CWIP is recoverable and does not warrant any impairment as of the year ended on 31/03/2025.

40. As stated & Confirmed by the Management, the company does not have details w.r.t MSME Vendors as prescribed under MSME Act, 2006 which states as specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order 2019 and hence the company has not provided the same.

41. As stated by the Management, the company has not made provision for Electricity Duty of Rs. 314.28 lakhs in the books of accounts for the year ended on 31st March, 2025.

42. During the year under review, the company has written back creditors amounting to Rs 44.71 lakhs. As per the management the same is not payable, accordingly they have been written back and credited to statement of Profit and loss account as Other Income.

43. Previous year figures have been re-grouped / rearranged, wherever necessary to make them comparable with those of current year.

44. The financial statements were authorized for issue by the directors on 30th May, 2025.

45. CORPORATE SOCIAL RESPONSIBILITY CONTRIBUTION-

Based on the average net profits of the Company after computation of Net Profit as per Section 198 of the Companies Act, 2013 for the preceding three financial years, the Company is not required to spend any amount on CSR activities during the financial year 2024-25

46. In order to buy peace of mind and to put an end to the litigation, the Company has entered into a Settlement Agreement with Shreenidhi Trading Company a creditor who had initiated legal proceedings against the Company. The Company has agreed to pay a settlement amount of Rs 510.00 Lakhs, to the said alleged creditor against the principal outstanding of Rs 94.41 Lakhs. Thus, the balance amount of Rs. 415.59 Lakhs is shown as "Exceptional Item" in the statement of profit and loss for the year ended on 31st March 2025.

47. UNDISCLOSED TRANSACTIONS

As stated, & confirmed by the Board of Directors, The Company does not have any 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.

48 BENAMI TRANSACTIONS

As stated & confirmed by the Board of Directors, The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property

49 LOAN OR INVESTMENT TO ULTIMATE BENEFICIARIES

As stated, & Confirmed by the Board of Directors, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a) directly or indirectly lend or invest in other persons or entity(ies) 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

50. LOAN OR INVESTMENT FROM ULTIMATE BENEFICIARIES

As stated, & Confirmed by the Board of Directors, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (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

51. WILLFUL DEFAULTER

As stated, & Confirmed by the Board of Directors, The Company has not been declared willful defaulter by the bank during the year under review.

52. TRANSACTIONS WITH STRUCK OFF COMPANIES

As stated, & Confirmed by the Board of Directors, the company has not under taken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Actor under Section 560 of Companies act 1956.

53. SATISFACTION OF CHARGE

As informed by the Management there are no charges which are yet to be registered or yet to be satisfied with Registrar of Companies beyond statutory period. However, while carrying out search on MCA portal, following charges are yet to be satisfied beyond the statutory period, details of which are as under:

SR. NO.	SRN	CHARGE ID	CHARGE HOLDER NAME	DATE OF CREATION	DATE OF MODIFICATION	DATE OF SATISFACTION	AMOUNT (Rs. In Lakhs)	ADDRESS
1	B31125222	10333322	HDFC BANK LIMITED	20/01/2012	-	-	33.00	HDFC BANK HOUSE MUMBAI
2	B22595144	10310289	SREI Equipment Finance Private Limited	15/09/2011	-	-	45.00	'VISHVAKARMA' 86C, TOPSIAROAD, KOLKATA
3	A61391769	10154901	UNION BANK OF INDIA	31/03/2009	-	-	12.35	I.F. BRANCH, ASHRAM ROAD, AHMEDABAD

54. CRYPTO CURRENCY

As stated, & Confirmed by the Board of Directors. The Company has not traded or invested in Crypto Currency or Virtual Currency.

55. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

As informed and confirmed by the Board of Directors, the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

56. COMPLIANCE WITH SCHEME OF ARRANGEMENT

As stated, & confirmed by the Board of Directors, The Company has not applied for any scheme of Arrangements under sections 230 to 237 of the Companies Act 2013.

57. The Company has assessed internal and external information upto the date of approval of the audited financial statements while reviewing the recoverability of assets, adequacy of financial resources, Performance of contractual obligations, ability to service the debt and liabilities etc. Based on such assessment, the company expects to fully recover the carrying amounts of the assets and comfortably discharge its debts and obligations. Hence the management does not envisage any material impact on the audited financial statements of the company for the year ended on 31st March 2025.

58. As stated, & Confirmed by the Board of Directors, The company has not been sanctioned any term loan during the year not there is outstanding term loans as at 31st March 2025.

59. As stated, & Confirmed by the Board of Directors, the Property, plant and equipment is in the name of the company.

60. As stated, & confirmed by the board of Directors, the company has not revalued its Property, Plant and Equipment and intangible assets during the year under review.

61. BORROWING BY WAY OF SECURED LOAN AGAINST CURRENT ASSETS

As stated, and Confirmed by the board of directors, below is the discrepancy in respect of Stock and Book Debt Statement filed by the company with bank:

For the quarter	Name of the Bank	Nature of the current assets - inventory	As per unaudited Books of accounts	Amount as per Quarterly returns & statements	Amount of difference	Nature of discrepancy
March 2025	Kotak Mahindra Bank	By- Product	372.64	40.99	331.65	As informed by the management, at the time of submission of stock statement to bank, stock of some of the by-products were not taken. But at the time of finalization of quarterly results, the said was considered and hence the difference.

62. During the year under review, on 25/06/2024 the company has allotted 48,00,000 convertible equity warrants of face value of Rs. 10/- each at a price of Rs. 25/- each, including premium of Rs. 15/- per equity share aggregate to Rs. 12 crore (Twelve crores) to be converted into equity shares within 18 months from the date of allotment of such equity warrants. The company has received Rs. 3 crore (Three crores) at the time of allotment of share warrants.

NOTE NO : 63 TAX RECONCILIATION

Income taxes recognised in Statement of Profit and Loss

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Current tax		
In respect of the current year	-	14.97
(Excess)/Short provision for tax of earlier years	-	(0.12)
	-	14.86
Deferred tax(credit) /Charged	(88.16)	2.41
Total income tax expense recognised in respect of continuing operations	(88.16)	17.27

Tax reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Profit before taxes	(730.60)	64.24
Enacted tax rate in India	25.168%	25.168%
Expected income tax benefit/(expense) at statutory tax rate	-	-
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	-	16.17
(Excess)/Short provision for tax of earlier years	-	(0.12)
Non deductible expenses for Tax Purpose	271.54	257.68
Deductible Expenses for Tax purposes	(271.54)	(258.87)
	-	14.86
Effect of:		
Timing Difference of Depreciation (Deferred tax liability)	1.27	(18.57)
43B Differences (Deferred tax assets)	86.89	16.16
	88.16	(2.41)
Income taxes recognised in the Statement of Profit and Loss	88.16	(17.27)

The tax rate used is corporate tax rate of 22% plus surcharge @ 10% and cess @ 4% payable by corporate entities in India on taxable profits under the Indian tax laws.

Income tax recognised in other comprehensive income

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	3.99	0.93
Total income tax recognised in other comprehensive income	3.99	0.93
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	3.99	0.93
Income tax recognised in other comprehensive income	3.99	0.93

Note: Deferred tax liability has been calculated using effective tax rate of 25.168%

Components of deferred tax assets and liabilities

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
(a) Deferred tax liabilities		
Difference between book and tax depreciation	1,908.05	1,906.78
	1,908.05	1,906.78
(b) Deferred tax assets		
Disallowances of employee benefits u/s. 43B of the Income Tax	134.69	49.25
	134.69	49.25
Deferred Tax Liabilities (Net)	1,773.36	1,857.53

64 IND AS 115- ILLUSTRATIVE DISCLOSURES

The Company has recognised the following amounts relating to revenue in the statement of profit or loss:

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Revenue from contracts with customers	54,411.56	57,664.14
Total revenue	54,411.56	57,664.14

Revenue is recognized upon transfer of control of products to customers

(a) Disaggregation of revenue from contract with customers

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Revenue from		
- Outside India	-	775.70
- In India	54,411.56	56,888.44

Four customers have contributed 10% or more to the company's revenue for 2024-25 Amounting to Rs.37110.55 Lakh (Including GST) and in 2023-24 Two customers have contributed 10% or more to the company's revenue for Amounting to Rs.45708.20 Lakh (Including GST)

(b) Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities

(Amount ₹ in Lakhs)

Particulars	Year ended 31 st March 2025	Year ended 31 st March 2024
Contract Assets	6,823.83	6,672.45
Total contract assets	6,823.83	6,672.45
Contract liability	4,781.80	2,749.51
Total contract liabilities	4,781.80	2,749.51

(c) Performance obligations

The performance obligation is satisfied upon delivery of the finished goods and payment is generally due within 1 to 3 months from delivery. The performance obligation to deliver the finished goods is started after receiving of sales order. The customer can pay the transaction price upon delivery of the finished goods within the credit period, as mentioned in the contract with respective customer.

65. RATIO ANALYSIS

Particulars	Numerator	Denominator	31 st March 2025	31 st March 2024	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	1.18	1.42	-17%	
Debt Equity Ratio	Borrowings	Share Holder's Equity	4.58	2.97	54%	Due to Loss and substantial decrease in Share holder' equity and increase working capital borrowing
Debt Service Coverage Ratio	Earnings available for debt Service	Debt Service	0.12	0.18	-36%	Due to loss during the year and increase in borrowings.
Return on Equity (ROE):	Net Profit after Taxes	Average Shareholder's Equity	-15.91%	1.12%	-1516%	Due to Substantial decrease in the Net Profit
Inventory Turnover Ratio	Cost of Material Consumed + Channages in WIP/ FG	Average Invnetory	6.03	8.26	-27%	Due to the increase in average inventory.
Trade receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	8.06	8.41	-4%	
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	16.62	21.75	-24%	
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	19.34	14.33	35%	Due to Substantial Decrease in working capital.
Net Profit Ratio	Net Profit	Revenue from Operations	-1.18%	0.08%	-1550%	Due to substantial decrease in the Net Profit
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	4.33%	8.04%	-46%	Due to decrease in EBIT and increase in current liability (borrowings).

Signatures to Notes - 1 to 65

Notes referred to herein above form an integral part of the Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN : 25107628BMHGBN3520

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 30th May, 2025

For and on behalf of the Board of Directors,
SAL Steel Limited

[Rajendra V Shah]
Chairman
DIN: 0020904

[Mrinal Sinha]
Whole Time Director
DIN: 09482143

[B L Singhal]
Whole Time Director cum CFO
DIN: 01484213

[Radhika P. Soni]
Company Secretary