

PARIKH & MAJMUDAR**CHARTERED ACCOUNTANTS**

CA. (DR). HITEN PARIKH

M.Com., LL.B., FCA., PH.D., IP

CA. SANJAY MAJMUDAR

B.Com., LL.B., FCA

CA. SATWIK DURKAL

B.Com., FCA

CA. KOMAL MAJMUDAR

B.Com., FCA, DISA, IFRS



Independent Auditors' Report on Quarterly and Year to Date audited Standalone Ind AS Financial Results of M/s SAL STEEL LIMITED Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,

The Board of Directors

SAL STEEL LIMITED

Report on audit of Standalone Ind AS Financial Results

Qualified Opinion

We have audited the accompanying Statement of Standalone Ind AS Financial Results of SAL STEEL LIMITED (the "Company"), for the Quarter and year ended March 31, 2025 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- gives a true and fair view in conformity with Indian Accounting Standard prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued there under and other accounting principles generally accepted in India of the standalone net Loss and total comprehensive income and other financial information of the Company for the Quarter and year ended March 31, 2025.

303, "B" Wing, GCP Business Center, Opp Navrangpura Fire Station, Nr. Vijay Cross Roads, Navrangpura

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Email : audit@smajmudar.com



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.
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.

We conducted our audit of the Statement 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 Ind AS Financial Results 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 Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion.



Emphasis of Matter

1. 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.

2. 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.
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.
4. The balance confirmation from the suppliers, Non-moving Banks and customers have been called for, but the same are awaited till the date of audit. Thus, the balances of receivables, advance from customers, Non-moving banks 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.
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.

Our opinion is not modified on the above matter.

Managements Responsibilities for the Standalone Ind AS Financial Results

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.

Auditors Responsibilities for the Audit of the Standalone Ind AS Financial Results

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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 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 Ind AS financial statement 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.



OTHER MATTERS

The Statement includes the standalone financial results for the quarter ended March 31, 2025 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2025 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.



For Parikh & Majmudar

Chartered Accountants

FR No. 107525W

[CA SATWIK DURKAL]

PARTNER

Membership No. 107628

UDIN: **25107628BMHGBM1377**

Place: Ahmedabad

Date: 30-05-2025

**S.A.L. STEEL LIMITED**

Regd. Office: 5/1, Shreeji House, 5th Floor, Behind M. J. Library, Ashram Road, Ahmedabad - 380006.

E-Mail - info@salsteel.co.in

Phone - 02764-352929

CIN L29199GJ2003PLC043148

Audited Financial Results for the Quarter and Financial year Ended as on 31st March 2025


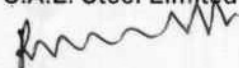
Rs. in Crores


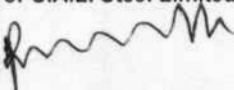
Sr No	Particulars	Quarter Ended			Year Ended	
		31/Mar/25	31/Dec/24	31/Mar/24	31/Mar/25	31/Mar/24
		(Audited)	(Un Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	116.38	193.56	139.46	544.12	576.64
II	Other Operating Income	0.56	0.26	-	0.87	1.59
III	Total Revenue (I + II)	116.94	193.82	139.46	544.99	578.23
IV	Expenses					
	a) Cost of Materials consumed	101.50	167.38	113.96	467.74	442.81
	b) Changes in inventories of finished goods, work-in-progress	2.93	(7.45)	(3.47)	(17.28)	3.88
	c) Employee benefits expense	2.99	2.89	2.26	12.10	14.02
	d) Finance Costs	5.10	4.87	3.17	16.67	12.74
	e) Depreciation and amortisation expenses	2.84	2.58	2.46	10.57	9.62
	f) Consumption of stores & Spares	0.30	1.80	1.12	5.75	15.22
	g) Power Cost and cost of power generation	3.83	10.55	13.96	35.35	67.22
	h) Other Expenses	5.54	6.56	2.33	17.24	12.08
	Total Expenses	125.03	189.18	135.79	548.14	577.59
V	Profit/ (Loss) before exceptional and extraordinary items and tax	(8.09)	4.64	3.67	(3.15)	0.64
	Other Income	-	-	-	-	-
VI	Exceptional Item	0.00	(4.16)	-	(4.16)	-
VII	Profit/ (Loss) After exceptional and extraordinary items and before tax	(8.09)	0.48	3.67	(7.31)	0.64
VIII	Tax Expense					
	Current Tax	(1.34)	1.13	0.15	-	0.15
	Short / (Excess) Provision of earlier years	-	-	-	-	-
	Deferred Tax	(0.78)	0.03	0.82	(0.88)	0.02
IX	Profit/ (Loss) for the period from continuing operations (VII-VIII)	(5.97)	(0.68)	2.70	(6.43)	0.47
X	Profit / (Loss) from discontinuing operations	-	-	-	-	-
XI	Tax expense of discontinuing operations	-	-	-	-	-
XII	Profit/(Loss) from Discontinuing operations (after tax) (X-XI)	-	-	-	-	-
XIII	Net Profit / (Loss) for the period (IX + XII)	(5.97)	(0.68)	2.70	(6.43)	0.47
	Other Comprehensive income (Net of Tax)	0.10	0.01	(0.08)	0.12	0.03
XIV	Total Comprehensive income/(Loss) (after tax)	(5.87)	(0.67)	2.62	(6.31)	0.50
	Paid-up Equity Share Capital (Face Value of Rs.10/- each per share)	84.97	84.97	84.97	84.97	84.97
	Reserve excluding Revaluation Resereves as per balance sheet of previous accounting year					(42.94)
XV	Earnings per equity share :					
	(1) Basic	(0.70)	(0.08)	0.32	(0.76)	0.06
	(2) Diluted	(0.70)	(0.08)	0.32	(0.76)	0.06

Notes:

- The above Audited results were reviewed and recommended by the Audit Committee and were approved by the Board of Directors at its meeting held on 30th May 2025. The Statutory Auditors have carried out audit of the Financial Results for the quarter and year ended on March 31, 2025.
- The format for above results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's Circular dated July 5, 2016, IND AS and Schedule III [Division II] to the Companies Act, 2013 applicable to companies that are required to comply with IND AS.



3	Results for the quarter and year ended as on 31.03.2025 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) notified by the Ministry of Corporate Affairs. The results for the quarters have been restated as per IND AS and are comparable on like to like basis.
4	Previous period figures have been regrouped and / or rearranged wherever necessary to make their classification comparable with the current period.
5	The Figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year .
6	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 Ind As 108, Operating Segment. 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, the management has not made disclosure of Primary Reportable segment as per Ind As 108, Operating Segment. Further, in view of the fact that the Company has its business within the geographical territory of India, Company has considered "INDIAN GEOGRAPHY" as the only secondary reportable business segment, as per the Ind As 108, Operating Segment. Accordingly, compnay is not require to submit segment reporting.
	<div> <div>Place: Santej Date : 30-05-2025</div> <div>  <div> For S.A.L. Steel Limited  Rajendra V Shah Chariman (DIN 00020904) </div> </div> </div>

S.A.L. STEEL LIMITED				
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2025				
Amount Rs In Crores				
PARTICULARS	2024-25		2023-24	
	Amount		Amount	
(A) CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT/(LOSS) BEFORE TAX		(7.31)		0.64
Add/(Less):				
Depreciation and amortization expense	10.57		9.63	
Loss / (Profit) on sale of Assets	0.00		-	
Financial Cost	16.67		12.74	
Interest Income	(0.40)	26.84	(0.18)	22.19
		19.53		22.83
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
Adjustments for:				
Trade and Other Receivables	3.91		(12.99)	
Inventories	(50.45)		9.17	
Trade Payables and other liabilities	6.33	(40.21)	6.64	2.82
CASH GENERATED FROM OPERATIONS		(20.68)		25.65
Less: Income Tax Paid		-		(0.15)
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		(20.68)		25.50
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(20.68)		25.50
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Sale Proceeds of Assets	0.02		-	
Interest Income	0.40		0.18	
Purchase of Fixed Assets / CWIP	(18.62)		(13.64)	
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(18.20)		(13.46)
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from Borrowings	52.53		-	
Proceeds from Share Application Money	3.00		-	
Financial Expenses.	(16.67)		(12.74)	
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		38.86		(12.74)
NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS(A+B+C)		(0.02)		(0.70)
Cash & Cash Equivalent in the Beginning of the year		0.21		0.91
Cash & Cash Equivalent in the Closing of the year		0.19		0.21
<div style="display: flex; justify-content: space-between; align-items: center;"> <div> Place: Santej Date : 30-05-2025 </div> <div style="text-align: center;">  </div> <div> For S.A.L. Steel Limited  Rajendra V Shah Chairman (DIN 00020904) </div> </div>				

The Statement of Assets and Liabilities as at 31st March 2025

Statement of Assets and Liabilities

Amount Rs In Crores

Sr No	Particulars	As at	As at
		31.03.2025	31.03.2024
		(Audited)	(Audited)
	ASSETS		
1)	Non-current assets		
a)	Property, Plant and Equipment	150.52	142.48
b)	Capital work-in-progress	1.01	1.01
c)	Other Intangible assets	0.06	0.06
d)	Financial Assets		
(i)	Trade receivables	0.43	0.47
(ii)	Loans	-	-
(iii)	Other Financial Assets	2.21	3.20
e)	Deferred tax assets (net)	-	-
f)	Other non-current assets	0.16	0.17
2)	Current assets		
a)	Inventories	99.95	49.51
b)	Financial Assets		
(i)	Trade receivables	67.81	66.25
(ii)	Cash and cash equivalents	0.19	0.21
(iii)	Bank balances other than (iii) above	0.00	0.00
(iv)	Other Financial Assets	0.32	0.73
(v)	Loans	0.05	0.05
c)	Current Tax Assets (Net)	0.59	-
d)	Other current assets	15.15	19.30
	TOTAL ASSETS	338.45	283.89
	EQUITY & LIABILITIES :		
	EQUITY:		
a)	Equity Share capital	84.97	84.97
b)	Other Equity	(46.24)	(42.94)
	LIABILITIES :		
1)	Non-Current Liabilities		
a)	Financial Liabilities		
(i)	Borrowings	125.00	125.00
(ii)	Trade payables	0.08	1.03
(iii)	Other Financial Liabilities	-	-
b)	Provisions	0.98	1.01
c)	Deferred tax liabilities (Net)	17.73	18.58
d)	Other non-current liabilities	-	-
2)	Current liabilities		
(i)	Borrowings	52.53	-
(ii)	Trade payables	20.46	39.33
(iii)	Other financial liabilities	2.98	3.18
(iv)	Other current liabilities	78.90	52.53
(v)	Provisions	1.07	1.20
(vi)	Current Tax liabilities (Net)	-	-
	Total Equity and Liabilities	338.45	283.89

Place: Santej
Date : 30-05-2025



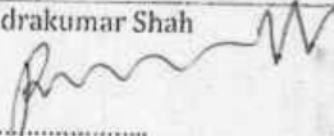
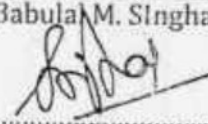

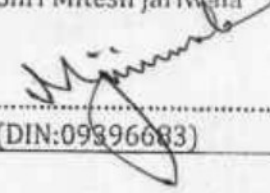
For S.A.L. Steel Limited

Rajendra V Shah
Rajendra V Shah
Chairman
(DIN 00020904)

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-
with Annual Audited Financial Results –
(Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	544.99	544.99
	2.	Total Expenditure	551.42	555.57
	3.	Net Profit/(Loss)	-6.43	-10.58
	4.	Earnings Per Share	-0.76	-1.25
	5.	Total Assets	338.45	338.45
	6.	Total Liabilities	299.72	303.87
	7.	Net Worth	38.73	34.58
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification:		Pl. refer to Para No.1 & 2 of Qualifications of Auditors' Report	
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion		Qualified Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		Para 1 of Qualification : Since FY: 2023-24 Para 2 of Qualification : Since FY: 2023-24	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		<p>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.</p>	

		<p>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.</p>
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	Refer Para 1 & 2 of Qualifications of Auditors' Report
	(i) Management's estimation on the impact of audit qualification:	For Para No.1 Since the Company is eligible for extension granted by the government under its policy, the Company did not made provision For Electricity Duty
	(ii) If management is unable to estimate the impact, reasons for the same:	--
	(iii) Auditors' Comments on (i) or (ii) above:	Nothing further to add

Signatories	
- Chairman	Shri Rajendrakumar Shah  (DIN: 00020904)
- Chief Financial Officer (CFO)	Shri Babula M. Singhal  (PAN: AMJPS3589F)
- Auditor of the company Parikh & Majmudar, Chartered Accountants (FRN: 107525W)	Shri Satwik Durka!  (Membership No.: 107628)
- Audit Committee Chairman	Shri Mitesh jariwala  (DIN: 09896683)

