KALYANI STEELS

C.I.N. : L27104MH1973PLC016350

KSL:SEC: July 29, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code : 500235

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Symbol : KSL

Dear Sir,

Sub. : Notice of 53rd Annual General Meeting and Annual Report for FY 2025-26

Ref. : SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed herewith the Notice of 53rd Annual General Meeting of the Company scheduled to be held on **Thursday, August 27, 2026 at 11.00 a.m.** (I.S.T.) through Video Conferencing / Other Audio Visual Means ('VC / OAVM') and **Annual Report** for **Financial Year 2025-26**.

The said Notice along with Annual Report, is being sent through electronic mode to those members whose e-mail addresses are registered with the Company / Registrar and transfer Agent ("RTA") / Depository Participant(s) ("DPs").

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, a letter is being sent to those members whose e-mail addresses are not registered with the Company / RTA / DPs, providing a web-link from where Notice and Annual Report can be accessed on the web-site of the Company.

Information at glance :

Particulars	Details
Date and Time of AGM	Thursday, August 27, 2026 at 11.00 a.m. (I.S.T.)
Web-link for AGM Notice	https://www.kalyanisteels.com/wp-content/uploads/Kalyani_Steels_Ltd_AGM_Notice_27_08_2026.pdf
Web-link for Annual Report	https://www.kalyanisteels.com/wp-content/uploads/KSL_Annual_Report_2025_26.pdf
Web-link for participating at AGM through VC / OAVM	https://www.evoting.nsdl.com/
Cut-off date for E-Voting	Thursday, August 20, 2026
Remote E-Voting Start Date and Time	Monday, August 24, 2026 at 9.00 a.m. (I.S.T.)
Remote E-Voting End Date and Time	Wednesday, August 26, 2026 at 5.00 p.m. (I.S.T.)
Remote E-Voting website	https://www.evoting.nsdl.com/

Kindly take the same on record.

Thanking you,

Yours faithfully,
For KALYANI STEELS LIMITED

DEEPTI RAJEEV PURANIK
Digitally signed by DEEPTI RAJEEV PURANIK
Date: 2026.07.29 14:51:38 +05'30'

MRS.D.R. PURANIK
COMPANY SECRETARY
E-mail : puranik@kalyanisteels.com

Encl. : As above

KALYANI STEELS LIMITED

CIN : L27104MH1973PLC016350
Registered Office : Mundhwa, Pune 411 036
Phone No. : 020 - 66215000
Website : www.kalyanisteels.com E-mail : investor@kalyanisteels.com

KALYANI

NOTICE

NOTICE is hereby given that the FIFTY-THIRD Annual General Meeting of the Members of Kalyani Steels Limited will be held on Thursday, August 27, 2026, at 11.00 a.m. (I.S.T), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended March 31, 2026.
3. To appoint a Director in place of Mr.M.U. Takale (DIN 01291287), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. **Re-appointment of Mr.B.N. Kalyani as a Director of the Company**

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

   "RESOLVED THAT pursuant to provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualifications of Directors) Rules 2014 ('Rules") and Regulation 17(1A) and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded, to the re-appointment of Mr.B.N. Kalyani (DIN 00089380) as a Director of the Company, liable to retire by rotation, who has attained the age of 75 (Seventy Five) years.''

5. **Approval for Material Related Party Transactions with Bharat Forge Limited**

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

   "RESOLVED THAT pursuant to Regulation 23 and Schedule XII of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and in accordance with the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 ("the Act"), if any and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the Company's Related Party Transactions Policy, approval of the Members be and is hereby accorded to the Company to carry on and / or enter into series of transaction(s) / contract(s) / arrangement(s) / agreement(s) or otherwise with Bharat Forge Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the projected aggregate amount not exceeding ₹ 7,000 Million (Rupees Seven Thousand Million) for the Financial Year 2027-28 (i.e. from April 1, 2027 to March 31, 2028), on such terms and conditions as may be agreed to by the Board of Directors (hereinafter referred to as "the Board"), subject to such transaction(s) / contract(s) / arrangement(s) / agreement(s) being carried out in the ordinary course of business and at arm's length.

   RESOLVED FURTHER THAT the Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things and to take all such steps as may be necessary, for the purpose of giving effect to this Resolution."

6. **Approval for Material Related Party Transactions with Kalyani Technoforge Limited**

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

   "RESOLVED THAT pursuant to Regulation 23 and Schedule XII of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time and in accordance with the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 ("the Act"), if any and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the Company's Related Party Transactions Policy, approval of the Members be and is hereby accorded to the Company to carry on and / or enter into series of transaction(s) / contract(s) / arrangement(s) / agreement(s) or otherwise with Kalyani Technoforge Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for the projected aggregate amount not exceeding ₹ 7,000 Million (Rupees Seven Thousand Million) for the Financial Year 2027-28 (i.e. from April 1, 2027 to March 31, 2028), on such terms and conditions as may be agreed to by the Board of Directors (hereinafter referred to as "the Board"), subject to such transaction(s) / contract(s) / arrangement(s) / agreement(s) being carried out in the ordinary course of business and at arm's length.

RESOLVED FURTHER THAT the Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things and to take all such steps as may be necessary, for the purpose of giving effect to this Resolution."

7. **Ratification of Remuneration of the Cost Auditors**

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s S.R. Bhargave & Co., Cost Accountants, Pune (Firm Registration No.000218), appointed by the Board of Directors, to conduct the audit of cost records of the Company for the Financial Year 2026-27, amounting to ₹ 550,000/- (Rupees Five Hundred Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection to aforesaid audit, recommended by the Audit Committee and approved by the Board of Directors of the Company be and is hereby ratified."

By Order of the Board of Directors
For Kalyani Steels Limited

Pune
May 8, 2026

Mrs.Deepti R. Puranik
Company Secretary

NOTES :

1. Pursuant to General Circular No.03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs ("MCA Circular") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") and other applicable provisions, if any, of the Listing Regulations, for the time being in force, the Fifty-Third Annual General Meeting ("AGM') of the Company will be conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue.
2. In compliance with the aforesaid MCA Circular, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.kalyanisteels.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.

   Additionally, as per Regulation 36 (1)(b) of the Listing Regulations a letter providing the weblink of the Annual Report 2025-26, is being sent to those shareholder(s), who have not registered their email addresses with the Company / Depositories.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under Item Nos.4 to 7 of the Notice to be transacted at the AGM is annexed hereto as **"Annexure A"**.
4. In terms of MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM.
5. National Securities Depositories Limited (NSDL) will be providing facility for voting through remote e-Voting and for participation in the AGM through VC / OAVM Facility and e-Voting during the AGM.
6. Members can join the AGM through VC / OAVM facility, by following the procedure as mentioned below, which shall be kept open for the Members from 10.15 a.m. (I.S.T.) i.e. 45 minutes before the scheduled start time of the AGM and will be open up to 15 minutes after the scheduled start time of AGM.
7. Members may note that the VC / OAVM Facility, provided by NSDL, allows participation of 1,000 Members on a first-come-first-served basis. This will not include large shareholders (i.e. 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 AGM without any restriction on account of first-come-first-served principle.
8. Members attending the AGM through VC / OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Pursuant to the Listing Regulations, the Company has fixed Friday, July 31, 2026, as the Record Date for the purpose of determining the entitlement of members to the dividend. The dividend on Equity Shares, if declared at the AGM, shall be paid / credited subject to deduction of income-tax at source (''TDS'') on or before Friday, September 4, 2026, to those members :

   a) whose names appear as beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL), as at the close of business hours on Friday, July 31, 2026.

b) whose names appear in the Register of Members of the Company after giving effect to valid share transmission / transposition requests lodged with the Company or with the Registrar and Transfer Agents of the Company, as at the close of business hours on Friday, July 31, 2026.

10. Shareholders may note that as per the Income Tax Act, 2025 ("the IT Act"), dividend income is taxable in the hands of shareholders. Accordingly, the Company is required to deduct tax at source (TDS) at the time of payment of dividend to its shareholders (resident as well as non-resident), if approved by the Shareholders in the AGM.

To enable compliance with TDS requirements, members holding shares in electronic mode are requested to complete and / or update their residential status, PAN, category, e-mail address, mobile number, bank account details and address with PIN code (including country) as per the IT Act with their depository participants and in case shares are held in physical form, with the Company / Registrar and Transfer Agent.

11. Those Members who have not encashed / received their Dividend Warrants for the previous financial year(s) may approach the Registrar and Transfer Agent of the Company, at their address given below, for claiming their unencashed / unclaimed dividend.

12. Dividends which remain unencashed / unclaimed over a period of 7 years will have to be transferred by the Company to the Investor Education and Protection Fund (IEPF) constituted by the Central Government under Section 125 of the Companies Act, 2013. Further, under the amended provisions of Section 124 of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred by the Company in the name of the IEPF.

13. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders, who have not dematerialized their shareholding, are advised to dematerialize the same to avoid any inconvenience in future.

14. Pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, brief Profile / Resume of Director(s) proposed to be appointed / re-appointed, their expertise in specific functional areas, relationships between directors inter-se, names of listed companies in which they hold directorships and memberships / chairmanships of Board Committees, their shareholding in the Company, are provided in **"Annexure B"** forming part of the Notice.

15. Since the AGM will be held through VC / OAVM, the Proxy Form, Attendance Slip and Route Map for venue of AGM is not annexed to this Notice.

16. Members, who need assistance before or during the AGM, can contact Mr. Umesh Sharma of MUFG Intime India Private Limited, Registrar and Transfer Agent of the Company, at umesh.sharma@in.mpms.mufg.com or call on 020-2616 1629 / 2616 0084. Kindly quote your Name, DP ID and Client ID / Folio No. and EVEN in all your communications.

17. The Register of Directors and Key Managerial Personnel and their shareholding, under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of Companies Act, 2013 and all documents referred to in this Notice and accompanying Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, will be available for inspection of the Members from the date of circulation of this Notice upto the date of AGM i.e. Thursday, August 27, 2026. Members seeking to inspect, can send an e-mail to Secretarial Department of the Company at investor@kalyanisteels.com.

18. Voting through Electronic Means :

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, holding shares as on Thursday, August 20, 2026 being the Cut-off date, facility to exercise their right to vote by electronic means and the business shall be transacted through e-Voting Services. The facility of casting the votes by members using the electronic voting system from a place other than venue of the AGM ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL).

The Instructions for Members for remote e-Voting and Joining General Meeting are as under :

The remote e-Voting period begins on Monday, August 24, 2026 at 9.00 a.m. and ends on Wednesday, August 26, 2026 at 5.00 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. Thursday, August 20, 2026, may cast their votes electronically. The voting rights 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 Thursday, August 20, 2026.

Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client ID, PAN No., Verification code and generate OTP. Enter the OTP received on registered email ID / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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. 2. 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. 3. 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 4. 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 held 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. 5. Shareholders / Members can also download NSDL

	Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing User ID and Password. The 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 use, 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 e-Voting is in progress as per the information provided by the company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers 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 Myeasi 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 an 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 e-Voting 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	1. 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 above mentioned 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 e-services 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.
6. 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.

7. After entering your Password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically and Join Annual 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 cs@svdandassociates.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, Senior Manager, 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 email 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 investor.helpdesk@in.mpms.mufg.com with copy marked to evoting@kalyanisteels.com
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 evoting@kalyanisteels.com. If you are an Individual shareholder 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 / Member 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.

Instructions for Members for e-Voting on the day of AGM

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members / Shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the 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 AGM shall be the same person mentioned for Remote e-Voting.

Instructions for Members for attending the AGM through VC / OAVM

1. Members will be provided with a facility to attend the 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 investor@kalyanisteels.com. The same will be replied by the company suitably.
6. Shareholders who would like to express their views / ask questions during the AGM, will have to register themselves as a "Speaker" and send their request mentioning their Name, Demat account number / folio number, email ID, mobile number at investor@kalyanisteels.com on or before Friday, August 21, 2026 (6.00 p.m.). Only those members who have registered themselves as a Speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

19. Mr.Sridhar Mudaliar (Membership No. FCS 6156 COP No. 2664) failing him Mrs.Meenakshi Deshmukh (Membership No. FCS 7364 CP No. 7893), Partners of SVD & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

20. The Scrutinizer shall immediately after conclusion of AGM, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall submit not later than 2 (Two) working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or the person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him, shall declare the result of the voting forthwith.

21. The results of voting along with the Scrutinizer's Report shall be placed on the Company's website www.kalyanisteels.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

Registrar & Transfer Agent
MUFG INTIME INDIA PRIVATE LIMITED
Block No.202, Akshay Complex, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Mandir, Pune – 411 001
Phone Nos. : 020 – 26161629 / 26160084
E-mail : investor.helpdesk@in.mpms.mufg.com

ANNEXURE A TO THE NOTICE
Explanatory Statement as required by Section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out, the material facts relating to Ordinary / Special Business Items as stated in the accompanying Notice dated May 8, 2026

ITEM NO.4

Pursuant to the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr.B.N. Kalyani, Director of the Company, is retiring by rotation at this Fifty-Third Annual General Meeting and being eligible, has offered himself for re-appointment.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect, by the members of the listed entity.

As Mr.Kalyani is liable to retire by rotation at this Fifty-Third Annual General Meeting and has attained the age of 75 (Seventy Five) years, the approval of the members for his re-appointment is sought by way of Special Resolution.

Brief Profile of Mr.Kalyani along with requisite information pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) is enclosed herewith as Annexure – B.

Considering the profound experience and expertise possessed by Mr.Kalyani over all these years which has been invaluable in navigating the Company through several challenges and opportunities over the years, and based on the recommendations of the Nomination and Remuneration Committee (NRC), the Board recommends the re-appointment of Mr.Kalyani, as Non-Executive Director and accordingly recommend the Special Resolution as set out in Item No.4 of the Notice for approval of the members.

Except Mr.Kalyani, being appointee and Mrs.Sunita B. Kalyani & Mr.Amit B. Kalyani, Directors of the Company, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolution, set out at Item No.4 of the Notice.

ITEM NO.5

The members of the Company at their Fiftieth Annual General Meeting held on August 18, 2023, had approved a resolution for carrying out Related Party Transactions **("RPTs")** with Bharat Forge Limited **("BFL")**, for a period of 3 (Three) Financial Years i.e. from April 1, 2024 to March 31, 2027, for the projected amount of transactions not exceeding ₹ 15,000 Million for the Financial Year 2024-25, with a year-on-year increase of 20% on the total projected amount of transactions during the respective previous Financial Year.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company can enter into contracts or arrangements for sale, purchase or supply of any goods or materials or availing any services directly or through appointment of agent amounting to ten percent or more of the turnover of the Company after obtaining prior approval of the Company by the members resolution.

Further, pursuant to the provisions of Regulation 23 of the Listing Regulations read with Schedule XII thereunder, all RPTs with an aggregate value exceeding 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, shall be treated as Material Related Party Transactions **("MRPTs")** which shall require prior approval of the members by means of an Ordinary Resolution.

Industry Standard Forum (ISF) comprising of representatives from three industry associations viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, formulated Industry Standards on "Minimum Information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions". Pursuant to feedback and requests from various stakeholders the said Industry Standards were revised by ISF in consultation with SEBI, which were notified by SEBI vide its Circular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 and made effective from September 1, 2025 **("RPT Industry Standards")**, which inter-alia required the listed entities to provide minimum information, in specified format, related to proposed RPTs, to the Audit Committee and to the Shareholders, while seeking approval from members of the Company.

Details and benefits of proposed transaction(s) :

The Company is a leading manufacturer of forging and engineering quality carbon & alloy steel using the Blast Furnace route. Over the years, the Company has been continuously upgrading its technology and infrastructure. The facilities of the Company are at par with any sophisticated steel manufacturer in the world. Although the forging industry is the primary market for the Company's products, manufacturers of various components for commercial vehicles, two-wheelers, diesel engines, bearings, tractors, turbines and rail also form a substantial part of the Company's clientele. The Company has earned the status of preferred steel supplier for engineering, automotive, seamless tube, oil and gas, bearings, energy and primary aluminum industry.

BFL, a leading forging company, having transcontinental presence spread across India, Germany, Sweden, France and North America, manufactures a wide range of high performance, critical components for automotive as well as non-automotive sector. The basic and most important raw material for such components is specialty steel. The source of this specialty steel is validated and approved by the BFL customers before it can actually be supplied.

The Company has been in steel making operation since 1975 and has been supplying specialty steel to BFL. The Company, being an old source of supply of steel, has got approvals from many of the BFL customers and steel supplied to BFL forms a substantial part of the Company's annual sales quantity.

Further, to promote circular economy, mill scale generated from the forging activities at BFL is purchased by the Company on a regular basis and used as raw material to manufacture steel. This guarantees the protection of intellectual property in customized / alloy steel and extracts, while it also ensures that the alloying elements for re-melting and reproducing steel are reused to the best possible extent.

Several years of established relationship between the Company and BFL has resulted in operational convenience, besides assurance of product quality and yield leading to better BFL customer satisfaction. Considering the prevailing market trend, these transactions are expected to continue in the future.

The Company and BFL are entities under the Common Control. Further, Mr.B.N. Kalyani, Non-Executive Chairman of the Company is Chairman and Managing Director of BFL and Mr.Amit B. Kalyani, Non-Executive Director of the Company is Vice-Chairman and Joint Managing Director of BFL. Therefore, it is a related party of the Company.

The details of Proposed Transactions with BFL for Financial Year 2027-28 are as follows :

Transactions contemplated with BFL	**Amount (₹ in Million)**
Sale / Supply of goods or materials – Steel	6,500.00
Purchase of Mill Scale	300.00
Others*	200.00
	7,000.00
*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.	

The details of the executed transactions with BFL for last three Financial Years are as follows :

(₹ In Million)

Transactions contemplated with BFL	FY 2025-26	FY 2024-25	FY 2023-24
Sale / Supply of goods or materials – Steel	4,732.00	5,161.52	5,086.59
Purchase of Mill Scale	9.17	10.23	12.43
Others*	19.81	51.81	0.41
	4,760.98	5,223.56	5,099.43

*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.

Information pursuant to SEBI Circular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 on RPT Industry Standards read with SEBI Master Circular No. HO/49/14/14(7)/2025-CFD-POD2-I/3762/2026 dated January 30, 2026 is as follows :

A(1) Basic Details of the Related Party

S. No.	**Particulars of the Information**	**Information provided by the Management**
1.	**Name of the Related Party**	**Bharat Forge Limited (BFL)**
2.	Country of incorporation of the Related Party	India
3.	Nature of business of the Related Party	BFL is the world's largest forging company with manufacturing facilities spread across India, Germany, Sweden, France and North America. BFL manufactures a wide range of high performance, critical components for the automotive & non-automotive sector. It is India's largest manufacturer and exporter of automotive components and leading chassis component manufacturer in the world. BFL's customer base includes virtually every global automotive, backed by several decades of experience in component manufacturing & metallurgy. BFL has embarked on an ambitious and exciting journey to redefine its already existing presence across several critical business verticals such as oil & gas, power, locomotive & marine, defense & aerospace, metals & mining, construction and general engineering.

A(2) : Relationship and Ownership of the Related Party

S. No.	Particulars of the Information	Information provided by the Management
1.	Relationship between the Company and the related party – including nature of its concern (financial or otherwise) and the following :	1) Kalyani Steels Limited (KSL) / the Company and BFL are companies under Common Control. 2) Mr.B.N. Kalyani is the Promoter of both the companies. 3) Mr.B.N. Kalyani, Non-Executive Chairman of the Company is Chairman and Managing Director of BFL. 4) Mr.Amit B. Kalyani, Non-Executive Director of the Company is Vice-Chairman and Joint Managing Director of BFL. 5) Mr.Amit B. Kalyani is also part of the Promoter Group of both the companies.
	• Shareholding of the Company, whether direct or indirect, in the related party.	1) KSL directly does not hold any shares in BFL. 2) Mr.B.N. Kalyani, Promoter, along with Promoter Group holds 44.07% of the paid up share capital of BFL.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the Company.	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the Company.	1) BFL directly does not hold any shares in KSL. 2) Mr.B.N. Kalyani, Promoter, along with Promoter Group holds 64.70% of the paid up share capital of KSL.

A(3) : Details of Previous Transactions with the Related Party

S. No.	Particulars of the Information	Information provided by the Management
1.	Total amount of all the transactions undertaken by the Company with the Related Party during the last Financial Year.	See table below
2.	Total amount of all the transactions undertaken by the Company with the Related Party in the current Financial Year up to the quarter immediately preceding the quarter in which the approval is sought.	See table below

1\.

S. No.	Nature of transactions	FY 2025-26 (₹ In Million)
1.	Sale / Supply of goods or materials - Steel	4,732.00
2.	Purchase of Mill Scale	9.17
3.	Others*	19.81
	Total	4,760.98

*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.

2\.

S. No.	Nature of transactions	During April, 2026 (₹ In Million)
1.	Sale / Supply of goods or materials - Steel	391.40
2.	Purchase of Mill Scale	0.60
3.	Others*	—
	Total	392.00

*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.

A(3) : Details of Previous Transactions with the Related Party

S. No.	Particulars of the Information	Information provided by the Management
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the Company during the last Financial Year.	Not Applicable

A(4) : Amount of Proposed Transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the Information</th><th>Information provided by the Management</th></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the shareholders</td><td>
<table>
<tr><th>S.No.</th><th>Nature of transactions</th><th>FY 2027-28 (₹ In Million)</th></tr>
<tr><td>1.</td><td>Sale / Supply of goods or materials - Steel</td><td>6,500</td></tr>
<tr><td>2.</td><td>Purchase of Mill Scale</td><td>300</td></tr>
<tr><td>3.</td><td>Others*</td><td>200</td></tr>
<tr><td></td><td>Total</td><td>7,000</td></tr>
</table>
*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current Financial Year would render the proposed transaction a material RPT?</td><td>Yes

Proposed transactions to be undertaken during FY 2027-28, will be material in nature.</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the Company's annual consolidated turnover for the immediately preceding Financial Year</td><td>37.93% of the Company's Annual Consolidated Turnover for FY 2025-26.</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding Financial Year (in case of a transaction involving the subsidiary and where the Company is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the Related Party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding Financial Year, if available</td><td>4.16% of BFL's Annual Consolidated Turnover for FY 2025-26</td></tr>
<tr><td>6.</td><td>Financial performance of the Related Party for the immediately preceding Financial Year (On Standalone basis)</td><td>
<table>
<tr><th>Particulars</th><th>FY 2025-26 (₹ In Million)</th></tr>
<tr><td>Turnover</td><td>83,957</td></tr>
<tr><td>Profit After Tax</td><td>8,187</td></tr>
<tr><td>Networth</td><td>109,882</td></tr>
</table>
</td></tr>
</table>

A(5) : Basic Details of the proposed transaction

<table>
<tr><th>S. No.</th><th>Particulars of the Information</th><th>Information provided by the Management</th></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of goods / services, purchase of goods / services, giving loan, borrowing etc.)</td><td>a) Sale / Supply of goods or materials – Steel
b) Purchase of Mill Scale
c) Others*
(*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements.)</td></tr>
<tr><td>2.</td><td>Details of each type of the proposed transaction</td><td>Details of the Proposed Transactions for FY 2027-28
<table>
<tr><td>Particulars</td><td></td><td>₹ In Million</td></tr>
<tr><td>Sale / Supply of goods or materials – Steel</td><td>:</td><td>6,500</td></tr>
<tr><td>Purchase of Mill Scale</td><td>:</td><td>300</td></tr>
<tr><td>Others*</td><td>:</td><td>200</td></tr>
<tr><td>Total</td><td>:</td><td>7,000</td></tr>
</table>
*Others includes reimbursements paid / received for expenses for usage of mutual resources such as employees, infrastructure, management services, owned / third party services and job-work services etc. to meet its objectives / requirements</td></tr>
<tr><td>3.</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>As the proposed transactions are of continuous and repetitive nature, approval of the members is being sought for Financial Year 2027-28 (i.e. from April 1, 2027 to March 31, 2028)</td></tr>
<tr><td>4.</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
<tr><td>5.</td><td>Value of the proposed transaction during a Financial Year. If the proposed transaction will be executed over more than one Financial Year, provide estimated break-up Financial Year-wise.</td><td>Refer Point No.A(5)(2) above, for value of proposed transactions, which are to be executed during FY 2027-28.</td></tr>
<tr><td>6.</td><td>Justification as to why the RPTs proposed to be entered into are in the interest of the Company</td><td>The Company is an approved single source to many Original Equipment Manufacturers (“OEMs”) and hence, for these OEMs, BFL can purchase steel only from the Company. As the demand from these OEMs is increasing, the Company foresee increase in steel supplies to BFL for such OEMs. This helps the Company to have secured growing market.</td></tr>
<tr><td>7.</td><td>Details of the Promoter(s) / Director(s) / Key Managerial Personnel (KMPs) of the Company who have interest in the transaction, whether directly or indirectly.</td><td></td></tr>
<tr><td></td><td>a. Name of the Promoter(s) / Director(s) / KMPs</td><td>1) Mr.B.N. Kalyani, Chairman of the Company and Promoter
2) Mrs.Sunita B. Kalyani, Director of the Company and Part of Promoter Group
3) Mr.Amit B. Kalyani, Director of the Company and Part of Promoter Group</td></tr>
</table>

	b. Shareholding of the Promoter(s) / Director(s) / KMPs, whether direct or indirect, in the related party	1) Mr.B.N. Kalyani, Chairman of the Company holds 78,150 (0.02%) Equity Shares of BFL. 2) Mr.Amit B. Kalyani, Director of the Company holds 700,350 (0.15%) Equity Shares of BFL. 3) Mrs.Deeksha A. Kalyani (Part of Promoter Group) holds 50 Equity Shares of BFL. 4) Mr.B.N. Kalyani, Promoter, along with Promoter Group holds 44.07% of the paid up share capital of BFL.
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

PART B

Information to be provided in addition to Part A above

B(1) : Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transactions and trade advances

S. No.	Particulars of the Information	Information provided by the Management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or other process will be conducted. Transactions are made on on-going basis, in tune with market parameters.
2.	Basis of determination of price	Transactions are made on on-going basis, in tune with market parameters.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	
	a. Amount of Trade advance	₹ 470 Million received from BFL.
	b. Tenure	Not exceeding 365 days
	c. Whether same is self-liquidating?	Yes

As the aforesaid transactions with BFL are MRPTs, prior approval of the members by means of an Ordinary Resolution is sought. The Audit Committee has reviewed the certificate provided by the Managing Director and Chief Financial Officer confirming that the terms of said MRPTs proposed to be entered are in the interest of the Company.

The Audit Committee and Board of Directors, in their meetings held on May 8, 2026, have considered and noted that these transactions are in ordinary course of business, on an arm's length basis and in the interest of the Company and accordingly, recommend to the members for their approval by way of an Ordinary Resolution. Considering the nature of business and the requirement, approval on members is sought for Financial Year 2027-28 i.e. from April 1, 2027 up to March 31, 2028. It may be noted that no Related Party can vote to approve MRPTs whether such party is a Related Party to the particular transaction or not.

Except Mr.B.N. Kalyani, Chairman, Mrs.Sunita B. Kalyani and Mr.Amit B. Kalyani, Directors of the Company and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way financially or otherwise, concerned or interested in the resolution set out at Item No.5 of the Notice.

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

ITEM NO.6

The members of the Company at their Fiftieth Annual General Meeting held on August 18, 2023, had approved a resolution for carrying out Related Party Transactions **("RPTs")** with Kalyani Technoforge Limited **("KTFL")** and its subsidiary Kalyani Transmission Technologies Private Limited (KTTPL), up to an annual value not exceeding ₹ 7,000 Million (Rupees Seven Thousand Million) and ₹ 3,000 Million (Rupees Three Thousand Million) respectively for a period of 3 (Three) Financial Years i.e. from April 1, 2024 to March 31, 2027.

National Company Law Tribunal (NCLT), Mumbai Bench, vide its Order dated November 20, 2025 had approved Composite Scheme of Amalgamation of KTTPL (Transferor Company) into KTFL (Transferee Company). The said

NCLT order was filed with the Registrar of Companies (MCA) on December 20, 2025 and accordingly KTTPL stands merged with KTFL with effect from appointed date April 1, 2024.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company can enter into contracts or arrangements for sale, purchase or supply of any goods or materials or availing any services directly or through appointment of agent amounting to ten percent or more of the turnover of the Company after obtaining prior approval of the Company by the members resolution.

Further, pursuant to the provisions of Regulation 23 of the Listing Regulations read with Schedule XII thereunder, all RPTs with an aggregate value exceeding 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, shall be treated as Material Related Party Transactions **("MRPTs")** which shall require prior approval of the members by means of an Ordinary Resolution.

Industry Standard Forum (ISF) comprising of representatives from three industry associations viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, formulated Industry Standards on "Minimum Information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions". Pursuant to feedback and requests from various stakeholders the said Industry Standards were revised by ISF in consultation with SEBI, which were notified by SEBI vide its Circular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 and made effective from September 1, 2025 **("RPT Industry Standards")**, which inter-alia required the listed entities to provide minimum information, in specified format, related to proposed RPTs, to the Audit Committee and to the Shareholders, while seeking approval from members of the Company.

Details and benefits of proposed transactions :

The Company is a leading manufacturer of forging and engineering quality carbon & alloy steel using the Blast Furnace route. Over the years, the Company has been continuously upgrading its technology and infrastructure. The facilities of the Company are at par with any sophisticated steel manufacturer in the world. Although the forging industry is the primary market for the Company's products, manufacturers of various components for commercial vehicles, two-wheelers, diesel engines, bearings, tractors, turbines and rail also form a substantial part of the Company's clientele. The Company has earned the status of preferred steel supplier for engineering, automotive, seamless tube, oil and gas, bearings, energy and primary aluminum industry.

KTFL, established in 1979, is one of the fastest growing leader in world-class forgings and machined components, sub-assemblies and assemblies. KTFL is a manufacturing partner for renowned Original Equipment Manufacturers (OEMs) in Automotive and Non-Automotive sector, meeting the requirements of domestic as well as international customers.

Every customer of KTFL lays down technical specifications for the steel to be used for supplying forgings / components to them and gives a list of approved steel plants from which KTFL can source the steel. This approval process involves a visit to steel plants, process audit, testing of steel samples, validation on field trials etc. and depending on criticality of the use, the approval process is both time consuming as well as expensive.

The Company being old source of supply of steel to KTFL has got approvals from many of the customers of KTFL and hence steel supplied to KTFL forms significant part of its annual sales quantity.

Several years of established relationship between the Company, KTFL has resulted in operational convenience, besides assurance of product quality and yield leading to better customer satisfaction of KTFL customers. Considering the prevailing market trend, these transactions are expected to continue in the future.

The Company and KTFL are entities under the Common Control. Therefore, it is a related party of the Company.

The details of Proposed Transactions with KTFL for Financial Year FY 2027-28 are as follows :

Transactions contemplated with KTFL	**Amount (₹ in Million)**
Sale / Supply of goods or materials – Steel	7,000

The details of the executed transactions with KTFL & KTTPL (now merged with KTFL) for last three Financial Years are as follows :

(₹ in Million)

Transactions contemplated	FY 2025-26	FY 2024-25	FY 2023-24
Sale / Supply of goods or materials – Steel			
With KTFL	3,201.35	3,494.67	3,429.90
With KTTPL (now merged with KTFL)	857.48	1,696.83	1,521.17
	4,058.83	5,191.50	4,951.07

Information pursuant to SEBI Circular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025 on RPT Industry Standards read with SEBI Master Circular No. HO/49/14/14(7)/2025-CFD-POD2-I/3762/2026 dated January 30, 2026 is as follows :

A(1) : Basic Details of the Related Party

S. No.	**Particulars of the Information**	**Information provided by the Management**
1.	**Name of the Related Party**	**Kalyani Technoforge Limited (KTFL)**
2.	Country of incorporation of the Related Party	India
3.	Nature of business of the Related Party	KTFL is one of the fastest growing leader in world-class forgings and machined components, sub-assemblies and assemblies.

A(2) : Relationship and Ownership of the Related Party

S. No.	**Particulars of the Information**	**Information provided by the Management**
1.	Relationship between the Company and the related party – including nature of its concern (financial or otherwise) and the following :	1) Kalyani Steels Limited (KSL) / the Company and KTFL are companies under Common Control. 2) Mr.B.N. Kalyani, Chairman of the Company, is the Promoter of both the companies.
	• Shareholding of the Company, whether direct or indirect, in the related party.	1) KSL directly does not hold any shares in KTFL. 2) Mr.B.N. Kalyani, Promoter along with Promoter Group holds 100% of the paid up share capital of KTFL.
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the Company.	Not Applicable
	• Shareholding of the related party, whether direct or indirect, in the Company.	1) KTFL directly does not hold any shares in KSL. 2) Mr.B.N. Kalyani, Promoter along with Promoter Group holds 64.70% of the paid up share capital of KSL.

A(3) : Details of Previous Transactions with the Related Party

S. No.	**Particulars of the Information**	**Information provided by the Management**
1.	Total amount of all the transactions undertaken by the Company with the Related Party during the last Financial Year.	(see table below)
2.	Total amount of all the transactions undertaken by the Company with the Related Party in the current Financial Year up to the quarter immediately preceding the quarter in which the approval is sought.	(see table below)
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the Company during the last Financial Year.	Not Applicable

S. No. 1:

S. No.	Nature of transactions	FY 2025-26 (₹ In Million)
1	Sale / Supply of goods or materials - Steel	
	KTFL	3,201.35
	KTTPL (now merged with KTFL)	857.48
	Total	4,058.83

S. No. 2:

S. No.	Nature of transactions	During April, 2026 (₹ In Million)
1	Sale / Supply of goods or materials - Steel	396.62

A(4) : Amount of Proposed Transaction(s)

<table>
<tr><th>S. No.</th><th>Particulars of the Information</th><th>Information provided by the Management</th></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the shareholders</td><td><table><tr><td>S. No.</td><td>Nature of transactions</td><td>FY 2027-28 (₹ In Million)</td></tr><tr><td>1</td><td>Sale / Supply of goods or materials - Steel</td><td>7,000</td></tr></table></td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current Financial Year would render the proposed transaction a material RPT?</td><td>Yes

Proposed transactions to be undertaken during FY 2027-28, which will be material in nature.</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the Company's annual consolidated turnover for the immediately preceding Financial Year</td><td>37.93% of the Company's Annual Consolidated Turnover for FY 2025-26.</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding Financial Year (in case of a transaction involving the subsidiary and where the Company is not a party to the transaction)</td><td>Not Applicable</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the Related Party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding Financial Year, if available</td><td>25.60% of KTFL's Annual Consolidated Turnover</td></tr>
<tr><td>6.</td><td>Financial performance of the Related Party for the immediately preceding Financial Year (On Standalone basis)</td><td><table><tr><td>Particulars</td><td>FY 2025-26 (₹ In Million)</td></tr><tr><td>Turnover</td><td>26,871</td></tr><tr><td>Profit After Tax</td><td>2,101</td></tr><tr><td>Networth</td><td>14,038</td></tr></table></td></tr>
</table>

A(5) : Basic Details of the proposed transaction

<table>
<tr><th>S. No.</th><th>Particulars of the Information</th><th>Information provided by the Management</th></tr>
<tr><td>1.</td><td>Specific type of the proposed transaction (e.g. sale of goods / services, purchase of goods / services, giving loan, borrowing etc.)</td><td>Sale / Supply of goods or materials - Steel</td></tr>
<tr><td>2.</td><td>Details of each type of the proposed transaction</td><td>Details for FY 2027-28<table><tr><td>Particulars</td><td>₹ In Million</td></tr><tr><td>Sale / Supply of goods or materials – Steel</td><td>7,000</td></tr></table></td></tr>
<tr><td>3.</td><td>Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>As the proposed transactions are of continuous and repetitive nature, approval of the members is being sought for Financial Year 2027-28 (i.e. from April 1, 2027 to March 31, 2028)</td></tr>
<tr><td>4.</td><td>Whether omnibus approval is being sought?</td><td>Yes</td></tr>
</table>

5.	Value of the proposed transaction during a Financial Year. If the proposed transaction will be executed over more than one Financial Year, provide estimated break-up Financial Year-wise.	Refer Point No.A(5)(2) above for value of proposed transactions, which are to be executed during FY 2027-28.
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the Company	The Company is an approved single source to many Original Equipment Manufacturers (OEMs) and hence, for these OEMs, KTFL can purchase steel only from the Company. As the demand from these OEMs is increasing, the Company foresee increase in steel supplies to KTFL for such OEMs. This helps the Company to have secured growing market.
7.	Details of the Promoter(s) / Director(s) / Key Managerial Personnel (KMPs) of the Company who have interest in the transaction, whether directly or indirectly.	
	a. Name of the Promoter(s) / Director(s) (KMPs)	1) Mr.B.N. Kalyani, Chairman of the Company and Promoter 2) Mrs.Sunita B. Kalyani, Director of the Company and Part of Promoter Group 3) Mr.Amit B. Kalyani, Director of the Company and Part of Promoter Group 4) Mr.S.G. Joglekar, Independent Director of the Company is also Director of KTFL
	b. Shareholding of the Promoter(s) / Director(s) /(KMPs) whether direct or indirect, in the related party	1) Mr.B.N. Kalyani, Chairman of the Company holds 3,200 (0.05%) Equity Shares of KTFL 2) Mr.Amit B. Kalyani, Director of the Company holds 3,460 (0.05%) Equity Shares of KTFL 3) Mrs.Sunita B. Kalyani, Director of the Company, holds 103,200 (1.51%) Equity Shares of KTFL 4) Mr.Amit B. Kalyani, Director of the Company jointly with Mrs.Sunita B. Kalyani, Director of the Company holds 6,640 (0.10%) Equity Shares of KTFL 5) Mr.B.N. Kalyani, Promoter along with Promoter Group holds 100% of the paid up share capital of KTFL.
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	Nil

PART B

Information to be provided in addition to Part A

B(1) : Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

S. No.	Particulars of the Information	Information provided by the Management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	No bidding or other process will be conducted. Transactions are made on on-going basis, in tune with market parameters.
2.	Basis of determination of price	Transactions are made on on-going basis, in tune with market parameters.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following :	
	a. Amount of Trade advance	Based on the nature of the transactions, advance for part or full amount of the transactions or arrangements could be received in the ordinary course of business.
	b. Tenure	As may be mutually agreed.
	c. Whether same is self-liquidating?	Yes

As the aforesaid transactions with KTFL are MRPTs, prior approval of the members by means of an Ordinary Resolution is sought. The Audit Committee has reviewed the certificate provided by the Managing Director and Chief Financial Officer confirming that the terms of said MRPTs proposed to be entered are in the interest of the Company.

The Audit Committee and Board of Directors, in their meetings held on May 8, 2026, have considered and noted that these transactions are in ordinary course of business, on an arm's length basis and in the interest of the Company and accordingly, recommend to the members for their approval by way of an Ordinary Resolution. Considering the nature of business and the requirement, approval on members is sought for Financial Year 2027-28 i.e. from April 1, 2027 up to March 31, 2028. It may be noted that no Related Party can vote to approve MRPTs whether such party is a Related Party to the particular transaction or not.

Except Mr.B.N. Kalyani, Chairman, Mrs.Sunita B. Kalyani, Mr.Amit B. Kalyani and Mr.S.G. Joglekar, Directors of the Company and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way financially or otherwise, concerned or interested in the resolution set out at Item No.6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.6 of the Notice for approval by the members.

ITEM NO.7

The Board of Directors at their meeting held on May 8, 2026, based on the recommendation of the Audit Committee, had appointed M/s S.R. Bhargave & Co., Cost Accountants, Pune, as Cost Auditors of the Company for auditing the cost records maintained by the Company for the Financial Year 2026-27, at remuneration of ₹ 550,000/- (Rupees Five Hundred Fifty Thousand only) plus applicable taxes thereon and reimbursement of out of pocket expenses.

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. The Board recommends the resolution set out at Item No.7 of the Notice, for the approval of the members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the resolution.

By Order of the Board of Directors
For Kalyani Steels Limited

Mrs.Deepti R. Puranik
Company Secretary

Pune
May 8, 2026

Annexure – B
Information pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2)

Name of the Director	**Mr.M.U. Takale**
Director Identification Number	01291287
Date of Birth and Age	August 18, 1960, Age - 65 years
Educational Qualifications	MS in Industrial and Systems Engineering from Columbia University, New York, U.S.A. MBA from Western Carolina University, NC, U.S.A
Brief Resume of the Director and experience / expertise details	Mr.Takale is a Mechanical Engineer having more than 40 years' experience in forging and automotive related industries. Mr.Takale, after having his initial graduation in Pune, completed his MS in Industrial and Systems Engineering from Columbia University, New York, U.S.A. and MBA from Western Carolina University, NC, U.S.A. He was in U.S.A. for six years and besides obtaining degree in Engineering and Management, has had considerable exposure to technological advancements in automotive field. He also has work experience in Automotive Industry in USA
Nature of expertise in specific functional areas / skills / capabilities	Technology & Innovations, Strategy & Planning, Financial Skills, along with Industry knowledge and vast experience.
Date of first appointment on the Board	June 27, 2006
Number of Meetings of the Board attended during the year	Attended 4 out of 4 Board Meetings held during FY 2025-26
Justification of choosing the appointee as a Director / Independent Director	The Board recommends the re-appointment of Mr.Takale considering his vast experience and expertise in Technology & Innovations, Strategy & Planning, Financial Skills, along with Industry knowledge.
Terms and Conditions of re-appointment	Re-appointment as Non-Executive Non-Independent Director liable to retire by rotation.
Remuneration last drawn from the Company	₹ 1.05 Million by way of Sitting Fees and Commission paid / payable for FY 2025-26.
Details of remuneration to be given	Mr.Takale shall be entitled to receive remuneration by way of Sitting Fees for attending the Board and Committee Meetings, along with Commission determined by the Board on the recommendation of Nomination and Remuneration Committee, subject to overall limits as specified under the Act and the Rules framed thereunder.
Disclosure of relationships between Directors / Managers / Key Managerial Personnel inter-se	Mr.Takale is not related to any Director / Manager / Key Managerial Personnel of the Company.
Directorships held in other listed companies (including resignation, if any, in other listed companies in the past three years)	BF Investment Limited BF Utilities Limited
Committee Memberships / Chairmanships held in other listed companies	BF Investment Limited Audit Committee - Member Stakeholders Relationship Committee - Chairman Corporate Social Responsibility Committee - Member Nomination and Remuneration Committee - Member Risk Management Committee - Member BF Utilities Limited Stakeholders Relationship Committee - Member Corporate Social Responsibility Committee - Member Nomination and Remuneration Committee - Member
Shareholding in the Company as on March 31, 2026	2,500 Equity Shares of ₹ 5 /- each
Other Information	In terms of Circular No. NSE/CML/2018/24 issued by National Stock Exchange of India Limited and Circular No. LIST/COMP/14/2018-19 issued by BSE Limited (both Circulars dated June 20, 2018), Mr.Takale is not debarred from holding the office of Director by virtue of any order issued by SEBI or any other Authority.

Annexure – B
Information pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2)

Name of the Director	**Mr.B.N. Kalyani**
Director Identification Number	00089380
Date of Birth and Age	January 7, 1949, Age - 77 years
Educational Qualifications	B.E. (Hons), Mechanical Engineering from BITS Pilani M.S. from Massachusetts Institute of Technology, Boston, USA
Brief Resume of the Director and experience / expertise details	Mr.B.N. Kalyani embarked upon his career with Bharat Forge, the flagship company of the Kalyani Group way back in 1972 and spearheaded the business operations of Bharat Forge and in turn, Kalyani Group heralding it to new heights of success. Mr.Kalyani has a deep understanding of steel, forging, automotive and engineering industry, and his experience and expertise have been invaluable in navigating the Company through several challenges and opportunities over the years. Mr.Kalyani has been conferred with several prestigious awards and recognitions including Padma Bhushan – India, Order of the Rising Sun, Gold and Silver Star, Japan, Cross of the Order of Merit Germany, Commander First Class of the Royal Order of Polar Star, Sweden and Knight in the Order of the Legion of Honour, France etc. Mr.Kalyani is a Permanent Member of Prime Minister's Science Technology & Innovation Advisory Council, Government of India; Co-Chairman of India-Japan Business Leaders' Forum; Co-chairman of India-Sweden Business Roundtable; Member of Indo French CEO's Forum; Member of India-Russia CEOs' Forum; Member of India-UK CEOs' Forum; Member of India Israel CEOs' Forum and Founding President of Society of Indian Defence Manufacturers. Mr.Kalyani has also been bestowed with Honorary Doctorate of Science (honoris causa) - Deakin University, Australia and IIT Kharagpur, India.
Nature of expertise in specific functional areas / skills / capabilities	Business Strategy, Product Development, Branding and Business Management.
Date of first appointment on the Board	February 15, 1984
Number of Meetings of the Board attended during the year	Attended 4 out of 4 Board Meetings held during FY 2025-26
Justification of choosing the appointee as a Director / Independent Director	The Board recommends the re-appointment of Mr.Kalyani considering his deep understanding of steel, forging, automotive and engineering industry and his vast experience and expertise have been invaluable in navigating the Company through several challenges and opportunities over the years.
Terms and Conditions of re-appointment	Re-appointment as Non-Executive Non-Independent Director liable to retire by rotation.
Remuneration last drawn	₹ 14.13 Million by way of Sitting Fees and Commission paid / payable for FY 2025-26
Details of remuneration to be given	Mr.Kalyani shall be entitled to receive remuneration by way of Sitting Fees for attending the Board and Committee Meetings, along with Commission determined by the Board on the recommendation of Nomination and Remuneration Committee, subject to overall limits as specified under the Act and the Rules framed thereunder.
Disclosure of relationships between Directors / Managers / Key Managerial Personnel inter-se	Mr.Kalyani is husband of Mrs.Sunita B. Kalyani and father of Mr.Amit B. Kalyani. Except this, Mr.Kalyani is not related to any other Directors / Managers / Key Managerial Personnel of the Company.

Directorships held in other listed companies (including resignation, if any, in other listed companies in the past three years)	Bharat Forge Limited Automotive Axles Limited Mr.Kalyani has resigned as Non-Executive Non-Independent Director and Chairman of BF Utilities Limited with effect from close of business hours on May 29, 2025. Mr.Kalyani has resigned as Non-Executive Non-Independent Director of Hikal Limited with effect from December 29, 2023.
Committee Memberships / Chairmanships held in other listed companies	Bharat Forge Limited Stakeholders Relationship Committee - Member Corporate Social Responsibility Committee - Chairman Risk Management Committee - Chairman Automotive Axles Limited Stakeholders Relationship Committee - Chairman
Shareholding in the Company as on March 31, 2026	1,118 Equity Shares of ₹ 5/- each.
Other Information	In terms of Circular No. NSE/CML/2018/24 issued by National Stock Exchange of India Limited and Circular No. LIST/COMP/14/2018-19 issued by BSE Limited (both Circulars dated June 20, 2018), Mr.Kalyani is not debarred from holding the office of Director by virtue of any order issued by SEBI or any other Authority.

KALYANI STEELS LIMITED

53rd ANNUAL REPORT

FINANCIAL YEAR 2025 - 2026

CORPORATE IDENTITY NUMBER
L27104MH1973PLC016350

REGISTERED OFFICE
Mundhwa, Pune - 411036
Phone: +91-020-66215000
Website: www.kalyanisteels.com
E-mail: investor@kalyanisteels.com

PLANT LOCATION
Hospet Road, Ginigera, Tal & Dist. Koppal,
Karnataka - 583228

CHIEF FINANCIAL OFFICER
Mr. B.M. Maheshwari (Up to May 8, 2026)
Mr. Bantu Upendra Kumar Patro (w.e.f. May 9, 2026)

COMPANY SECRETARY
Mrs. Deepti R. Puranik

AUDITORS
Kirtane & Pandit LLP, Chartered Accountants
5th Floor, Wing A, Gopal House,
S. No. 127/1B/1, Plot A1, Opposite Harshal Hall, Kothrud,
Pune - 411038

BANKERS
Bank of Baroda
Union Bank of India
Canara Bank
HDFC Bank Limited
Axis Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

REGISTRAR & TRANSFER AGENTS
MUFG Intime India Private Limited
Block No.202, Akshay Complex,
2nd Floor, Off Dhole Patil Road,
Near Ganesh Mandir, Pune - 411001

53rd ANNUAL GENERAL MEETING
Day: Thursday
Date: August 27, 2026
Time: 11:00 a.m. (I.S.T.)
Mode of Meeting: Through Video Conferencing (VC) /
Other Audio-Visual Means (OAVM)

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REPORT PROFILE

Our 53rd Annual Report presents a comprehensive overview of our performance, strategic vision, governance excellence and value creation initiatives. It reflects our continued commitment to generating value for stakeholders across short, medium and long-term horizons.

BOUNDARY AND SCOPE OF REPORTING

The Report covers financial and non-financial information and business operations of Kalyani Steels Limited for the period from April 1, 2025 to March 31, 2026.

REPORTING PRINCIPLE

We have prepared this Report in accordance with the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

FORWARD LOOKING STATEMENTS

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical facts, including those regarding the financial position, business strategy, management plans and objectives for future operations.

Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, because of new information, future events or otherwise.

ORGANIZATIONAL OVERVIEW

Over the past five decades, our unwavering commitment to customer satisfaction - coupled with a relentless focus on operational excellence, prudent financial management and strategic decision-making has positioned us as a leading supplier of alloy steel long products.

VISION & MISSION

OPERATIONAL PRESENCE

MANUFACTURING PROCESS & CAPABILITY

APPLICATIONS OF OUR STEEL

Our VISION

To be the least cost preferred engineering steel long products manufacturer in the country.

Our MISSION

To attain market leadership in value added engineering steel segment by constantly upgrading manufacturing technologies and adopting cost effective methods of steel making thus enhancing shareholder value

OPERATIONAL
PRESENCE

It is our constant endeavor to provide our customers the quickest possible delivery at the most optimum cost, while maintaining best-in-class quality.

Our widespread presence across India enables us to stay closer to our customers and set new benchmarks in the market.

CORPORATE OFFICE:
Pune

WAREHOUSE:
Pune, Gurgaon

INTEGRATED STEEL PLANT:
Ginigera, Koppal, Karnataka

REGIONAL OFFICE:
Mumbai, Delhi, Bhubaneswar, Bangalore, Chennai

MANUFACTURING
PROCESS

Kalyani Steels operates a fully integrated steel manufacturing facility spread across 375 acres at Ginigera, Koppal, Karnataka, strategically located in one of India's most abundant iron ore belts.

ANNUAL CAPACITY 250,000 MT

As Cast Range:

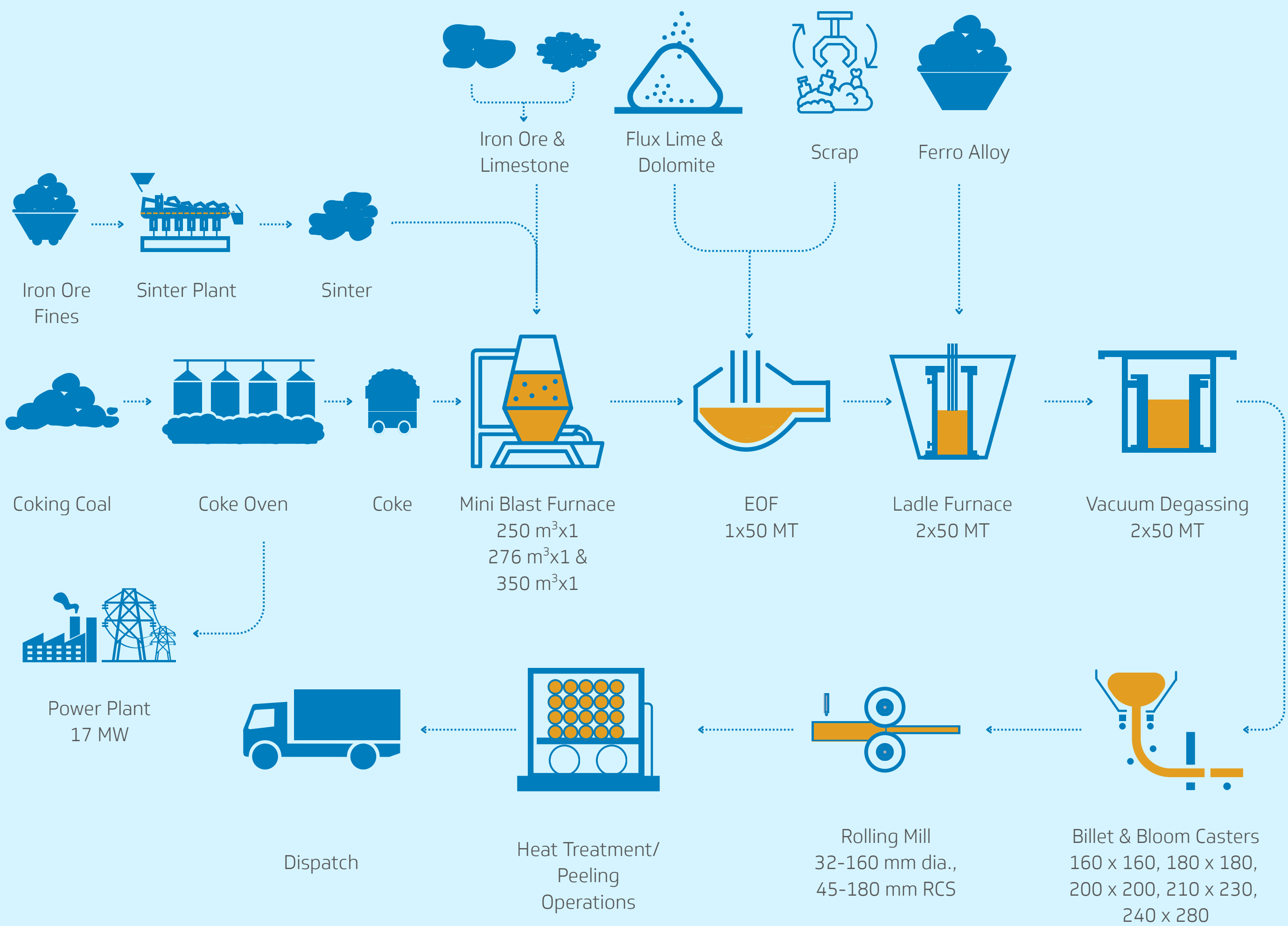
Billets/Blooms (mm):
160 x 160, 180 x 180,
200x 200, 210 x 230,
240 x 280

Rounds (mm):
160, 180,
200, 220

As Rolled Range:

Rounds (mm):
32 - 160

RCS (mm):
45 - 180



1 RAW MATERIAL PREPARATION

- Iron Ore - Fine iron ore particles are agglomerated into sinter.
- Coking Coal - Coking coal is heated in coke ovens in the absence of air to produce Coke.
- Limestone

2 BLAST FURNACE

Iron ore, coke, sinter and limestone are charged in the blast furnace. Coke generates heat and carbon monoxide which reduce the iron ore into molten iron, with impurities removed as slag.

3 ENERGY OPTIMIZING FURNACE (EOF)

Processes a mix of hot metal and steel scrap using oxygen blowing, carbon and fuel injection. Controlled combustion generates additional heat and enables scrap melting without external energy input.

4 LADLE FURNACE & VACUUM DEGASSING

Molten iron is processed in the Ladle furnace with addition of required ferroalloys as per final grade chemistry. Post ladle furnace, molten steel is treated in Vacuum Degassing to remove dissolved gases to achieve desired chemistry & quality before casting.

5 CONTINUOUS CASTING

Refined molten steel is solidified under controlled conditions into blooms or billets.

6 ROLLING MILL

Cast products are reheated and hot-rolled to achieve the required dimensions.

7 HEAT TREATMENT

Rolled products undergo processes such as normalizing, annealing, quenching, and tempering to improve mechanical properties like tensile strength, hardness, toughness, and ductility.

8 PEELING OPERATION

Surface layers of bars or rounds are mechanically removed to improve surface finish as per customer requirements.

9 FINISHING & INSPECTION

Final products are cut, inspected, and tested to meet customer-specific requirements.

APPLICATIONS
OF OUR STEEL

Kalyani Steels is a preferred manufacturer of forging and engineering quality specialty steels, serving some of the most demanding and performance critical industries. Our carbon and alloy steel products are engineered to deliver superior strength, durability, weldability, machinability, and reliability, making them the material of choice for a wide range of applications across the industrial value chain.

Energy

Oil & Gas

Automotive

Seamless Tubes

Bearings

Engineering

VALUE CREATION

Our strategic priority is to uphold a robust and agile balance sheet, equipping us to withstand uncertainties and create sustained value for all stakeholders.

FY 2026 AT A GLANCE

243,388 tons
Sales

₹ 19,020 Million
Total Income

₹ 4,098 Million
EBITDA

₹ 3,442 Million
PBT

₹ 2,551 Million
PAT

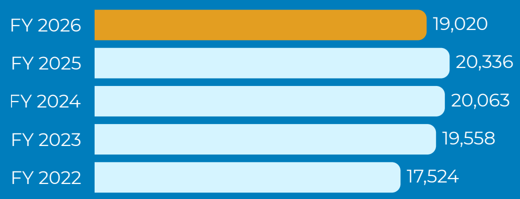
₹ 58.45
EPS

0.23
D/E RATIO

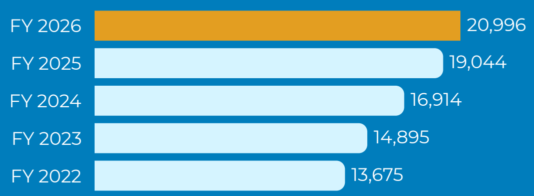
13.88
ROCE%

₹ 20,996 Million
Net Worth

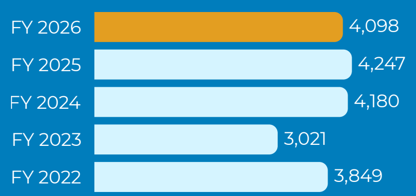
Total Income (₹ in Million)



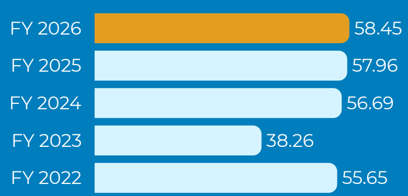
Net Worth (₹ in Million)



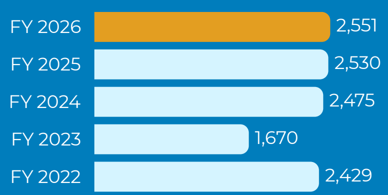
EBITDA (₹ in Million)



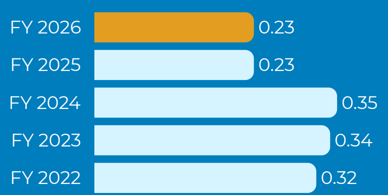
EPS (in ₹ / share)



PAT(₹ in Million)



Debt to Equity Ratio



STRATEGIC PRIORITIES

LEADERSHIP IN ALLOY STEEL INDUSTRY

Attain cost leadership by improving operational efficiency and optimizing resource utilization.

Increase capacity through brownfield and greenfield expansions or strategic acquisitions, aligned with market demand and long-term goals.

BACKWARD & FORWARD INTEGRATION

Strengthen control over raw material quality through backward integration.

Proactively evaluate evolving customer needs and invest in forward-integrated, value-added facilities to serve them better.

PRUDENT FINANCIAL MANAGEMENT

Remain focused on reducing finance cost.

Ensure financial stability and long-term resilience through the efficient management of working capital.

SUSTAINABILITY IN OPERATIONS

Increase energy efficiency to reduce usage of natural resources and optimize energy use.

Reduce our carbon footprint through environmentally friendly manufacturing processes, responsible practices and a long-term commitment to sustainability.

TECHNOLOGY & INNOVATION

Keep pace with technological advancements and innovation to maintain a leading position in the industry.

Embrace innovation to elevate product quality, introduce differentiated offerings and enhance operational efficiency.

CUSTOMER FOCUS

Place significant emphasis on customer-centricity, striving to thoroughly understand and anticipate customer needs while offering exceptional service and fostering long-term relationships.

Deliver value through tailored solutions, technical support and timely delivery to elevate customer satisfaction and build lasting loyalty.

LEADERSHIP

BOARD COMMITTEES

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee
- CSR Committee
- Risk Management Committee
- Finance Committee
- Share Transfer Committee

BOARD OF DIRECTORS (AS ON MARCH 31, 2026)


Mr. B N Kalyani
Chairman


Mrs. S B Kalyani
Non-Executive Director


Mr. A B Kalyani
Non-Executive Director


Mr. R K Goyal
Managing Director


Mrs. S A Shah
Independent Director


Amb. Ahmad Javed
Independent Director


Mr. Kartik Bharat Ram
Non-Executive Director


Mr. Raju S Tolani
Independent Director


Mr. M U Takale
Non-Executive Director


Mr. S G Joglekar
Independent Director


Mr. S K Adivarekar
Independent Director

BABA N KALYANI
CHAIRMAN

Dear Stakeholders,

It is my privilege to present the 53rd Annual Report of Kalyani Steels Limited for the financial year 2025-26.

The world is undergoing a profound transformation. Economic power is being redistributed, supply chains are being reconfigured, technology is reshaping industries at an unprecedented pace, and nations are increasingly focused on building resilient manufacturing & supply chain ecosystems. However, among all these transformative changes, India stands at the centre of a once-in-a-generation opportunity to emerge as a global hub of manufacturing.

As I reflect on the year gone by, I am encouraged by the resilience demonstrated across industries, the accelerating pace of technological advancement & adaptation, and the growing confidence in India's economic future. The foundations of India's growth story are being shaped by robust infrastructure development, rising manufacturing competitiveness, rapid technological progress, and a young, entrepreneurial workforce.

Against a backdrop of geopolitical uncertainty, evolving trade relationships, and subdued growth across several advanced economies, India once again demonstrated remarkable resilience. India continued to be the fastest-growing major economy in the world, with GDP growth of 7.7% in FY 2026 as compared to 7.1% in FY 2025, driven by strong domestic demand, infrastructure push, and manufacturing expansion specially in new age industries. More importantly, India's role in global supply chains continues to strengthen as businesses increasingly seek trusted, stable, and competitive manufacturing destinations.

India's Growth Story and the Steel Imperative

While global steel production declined by ~ 2% during CY 2025, India continued to chart a distinctly different course. Crude steel production crossed 168 Million tons during FY 2026, compared to ~151 Million tons in FY 2025, registering growth of over 11% and reinforcing India's position as the world's second-largest steel producer.

The significance of this growth extends beyond volumes. Steel remains one of the most fundamental enablers of industrial progress. Every highway, railway corridor, industrial facility, RE installation, and mobility solution requires advanced materials capable of meeting increasingly demanding performance standards. As India moves up the manufacturing value chain, the demand for high-quality specialty steel will continue to expand.

Automotive Sector Surpassed its Previous Best Figures

In FY 2026, Passenger Vehicles (PV) sales reached at its all-time high at 5.5 Million vehicles as against 5.0 Million vehicle sales in FY 2025 registering a growth of ~9%. Notably, export share within the PV sales stood at 16%. Commercial vehicles (CV) sales surpassed pre-COVID level at 1.2 Million vehicles registering a strong growth of 13% over FY 2025. Two wheelers' (2W) sales registered growth of 13% in FY 2026 at 26.8 Million vehicles surpassing pre-pandemic sales of 24.4 Million. Three wheelers' (3W) sale reached 1.3 Million as against a 1.0 Million in FY 2025 registering a strong growth of 30%. Effectively, all types of vehicles have crossed the pre-pandemic levels in FY 2026.

Resilience through Operational Excellence

FY 2026 was marked by global economic volatility, evolving trade dynamics, and continued pressure on steel markets worldwide. Against this backdrop, Kalyani Steels demonstrated the resilience of its business model and the strength of its disciplined operating approach.

While revenue moderated to ₹ 19,020 Million in FY 2026 from ₹ 20,336 Million in FY 2025, the Company maintained strong profitability through focused execution, cost optimization, and operational excellence. EBITDA declined to ₹ 4,098 Million, as compared to ₹ 4,247 Million in FY 2025, while Profit Before Tax improved to ₹ 3,442 Million from ₹ 3,427 Million in FY 2025.

These results reflect the strength of our customer relationships, the commitment of our people, and our continued focus on creating sustainable value through prudent financial management, operational discipline, and long-term strategic thinking.

Building on the Strength of Specialty Steel

For decades, we have focused on developing specialized steel solutions that support some of the most demanding applications across automotive, engineering, bearing, seamless tube, energy, oil & gas, and industrial sectors. The strength of any enterprise lies in its ability to adapt, innovate, and remain relevant in a changing world. At Kalyani Steels, we continue to invest in technology, operational excellence, talent development, and sustainable manufacturing practices to ensure that we remain future-ready. This foundation positions us favourably to participate in emerging opportunities arising from next-generation manufacturing sectors such as electric mobility, aerospace, defence etc.

The Path Ahead

Looking ahead, I remain optimistic about both India's future and the future of our Company. The coming decade has the potential to be one of the most significant periods in India's industrial history. Large-scale infrastructure investments, expanding manufacturing capabilities, rapid urbanization, energy transition initiatives, and increasing global integration are creating opportunities that were unimaginable earlier. The companies that succeed in this environment will be those that combine technological capability with execution excellence, long-term vision with agility, and growth with responsibility and Kalyani Steels is well positioned to be among those companies.

As we move forward, we will continue to remain guided by the principles that have shaped our journey integrity, excellence, innovation, and an unwavering commitment to creating sustainable value for all stakeholders.

I would like to express my sincere gratitude to our employees, customers, suppliers, partners, shareholders, and the communities we serve for their continued trust and support. Together, we will continue to build an institution that contributes meaningfully to India's industrial progress while creating enduring value for generations to come.

Warm Regards,

Baba N Kalyani
Chairman

AMIT B KALYANI
DIRECTOR

Dear Stakeholders,

It is a privilege to connect with you once again through the Annual Report of Kalyani Steels Limited for FY 2026.

The year was shaped by geopolitical conflict, evolving trade dynamics, and the realignment of global supply chains. Through it all, India reinforced its position as one of the world's fastest-growing major economies - its momentum sustained by sustained public investment in infrastructure, a resurgent manufacturing base, and structural reforms that continue to draw global capital towards Indian industry. For the specialty steel sector, this is a defining moment. At Kalyani Steels, we approached the environment not as a constraint but as an opportunity to strengthen our capabilities, deepen our customer partnerships, and prepare the company for the demands of the decade ahead.

A Resilient Performance

Against this backdrop, Kalyani Steels delivered a resilient performance. We are running close to 100% capacity utilization and sold 243,388 tons in FY 26 marginally lower with respect to FY 25 sales of 249,831 tons. Profit Before Tax improved to ₹ 3,442 Million from ₹ 3,427 Million, even as Revenue stood at ₹ 19,020 Million against ₹ 20,336 Million in FY 2025, and EBITDA held firm at ₹ 4,098 Million compared to ₹ 4,247 Million. In a year of top-line pressure, sustaining profitability and improving PBT reflects the strength of our operating model, the discipline of our cost management, and the dedication of our teams across the organization.

Enabling India's Next Industrial Chapter

India's industrial transformation is accelerating, powered by investments across infrastructure, mobility, defence, renewable energy, aerospace, nuclear power, and advanced manufacturing. As global supply chains diversify, India is fast emerging as a preferred manufacturing destination and specialty steel sits at the center of that shift, forming the foundation on which the nation's strategic and engineering ambitions are built.

Kalyani Steels aims to lead from the front. Building on decades of metallurgical and manufacturing expertise, we are deepening our portfolio of value-added and specialised steel solutions for the country's most critical sectors. India's growing demand for indigenous capability across these applications is precisely where we are placing our focus - strengthening self-reliance in materials that the nation can no longer afford to import.

Technology, Innovation and Quality

Technology and innovation remain central to our journey. We continue to invest in advanced manufacturing, process automation, and digitalization - capabilities that raise quality, sharpen efficiency, and strengthen our responsiveness to customers. Our metallurgical and product development teams work closely with customers to engineer steels that meet the most exacting performance standards. Quality is not a department at Kalyani Steels; it is the discipline that runs through every process we operate.

Sustainability and Responsible Operations

Responsible growth, for us, means building a company that creates value not only for shareholders but for the communities and environment in which we operate. We recognize that the future of steelmaking is inseparable from the future of the planet. As a step towards lowering our environmental footprint, we entered into a long-term Power Purchase Agreement (PPA) for the procurement of renewable energy, consisting of 13.5 MW DC Solar capacity and 5 MW Wind Power capacity.

Safety and Our People

The safety and well-being of our people remains our foremost priority. We are committed to building a culture in which safety is instinctive at every level of the organization, and in which every individual returns home unharmed. Equally, we are investing in the talent that will carry Kalyani Steels forward - nurturing a future-ready workforce through continuous learning, capability building, and a culture of improvement that rewards initiative and ownership.

Looking Ahead

With a proud legacy of 53 years behind us, Kalyani Steels Limited stands on a strong foundation built on excellence, innovation, and trust. As we look to the future, our journey is guided by a commitment to sustainable growth, technological advancement, and customer-centric solutions. The road ahead is filled with opportunities to strengthen our leadership, embrace new possibilities, and create lasting value for all our stakeholders. To our employees, customers, suppliers, partners, and shareholders - thank you for your continued trust. Together, we move forward with confidence, ready to shape the next chapter of our success.

Warm regards,

Amit B Kalyani
Director

R K GOYAL
MANAGING DIRECTOR

Dear Stakeholders,

It gives me great pleasure to present the 53rd Annual Report of Kalyani Steels Limited for the financial year 2025-26.

The year was marked by geopolitical uncertainties, evolving trade dynamics, and continued volatility across global markets. Yet, India's resilient economic growth, sustained infrastructure investments, and expanding manufacturing base continued to create strong opportunities for the specialty steel sector. In this dynamic environment, we remained focused on achieving operational excellence, enhancing manufacturing efficiency, customer-centricity, and delivering high-quality specialty steel solutions to our customers. Guided by our over five decades of metallurgical expertise, disciplined execution, and enduring customer partnerships, we continued to strengthen our competitive position and retain our position to be the preferred supplier of alloy steel products for our global customers.

Q. FY 2026 was marked by significant global uncertainty. How did Kalyani Steels navigate this environment and sustain its growth momentum?

A: FY 2026 was undoubtedly a year of contrasts. While the global economy demonstrated resilience, it remained constrained by geopolitical tensions, protectionist trade measures, supply chain disruptions, and uneven industrial growth across major economies. The steel industry, in particular, faced pressure from subdued demand in several developed markets and increasing exports from China, which impacted global pricing dynamics.

However, India emerged as a clear outlier. The country recorded GDP growth of 7.6% in FY 2026, supported by strong domestic consumption, infrastructure investments, manufacturing expansion, and government-led capital expenditure. India's crude steel production increased by more than 12% to 168 Million tons, reaffirming its position as the world's second-largest steel producer.

Our performance reflects the strength of our business model and our ability to adapt quickly to changing market conditions. We remained focused on operational excellence, prudent cost management, customer engagement, and product quality. By leveraging our strong market position in specialty steels and maintaining a disciplined approach to operations, we continued to create value in a challenging external environment. Our revenue moderated to ₹ 19,020 Million in FY 2026 from ₹ 20,336 Million in FY 2025, the Company maintained strong profitability through focused execution, cost optimization, and operational excellence. EBITDA declined to ₹ 4,098 Million, as compared to ₹ 4,247 Million in FY 2025, while Profit Before Tax improved to ₹ 3,442 Million from ₹ 3,427 Million in FY 2025.

Q. What were the key industry trends that shaped the steel sector during the year?

A: One of the defining trends during FY 2026 was the divergence between global and Indian steel markets.

Globally, crude steel production declined by nearly 2% as demand remained weak across several regions. China's real estate slowdown continued to impact steel consumption, resulting in higher exports and increased pressure on international steel prices. At the same time, geopolitical conflicts and trade restrictions created additional uncertainty across supply chains and commodity markets.

India, however, continued to demonstrate remarkable strength. Finished steel consumption increased to approximately 164 Million tons, driven by robust demand from infrastructure, construction, railways, automotive, engineering, and capital goods sectors. Government investments in roads, railways, defence, energy, and urban infrastructure continued to create significant opportunities for domestic steel producers.

Another notable trend was the increasing focus on supply chain resilience and self-reliance. Customers across industries are increasingly seeking reliable domestic suppliers capable of delivering consistent quality, technical support, and specialized products. This trend is particularly favourable for value-added and specialty steel manufacturers such as Kalyani Steels.

Q. Raw material volatility continues to be a key challenge for steelmakers. How did the Company manage this aspect during FY 2026?

A: Managing raw material volatility remains one of the most critical aspects of our business.

While iron ore prices remained relatively stable during much of the year, coking coal markets continued to experience fluctuations primarily driven by changing global demand patterns. While China remained the dominant price setter, India's growing steel production and import dependence supported demand, especially in the latter part of CY 2025. Increased buying activity from Indian steelmakers particularly ahead of fiscal year end provided temporary support to prices when global demand was otherwise weak. However, policy interventions such as restrictions on metallurgical coke imports in India added complexity to the market. Since coking coal is a major input for steelmaking and India remains substantially import-dependent, volatility in this commodity directly impacts industry profitability.

Our approach has always been proactive rather than reactive. We focus on strengthening supplier relationships, diversifying sourcing channels, optimizing inventory management, improving process efficiencies, and enhancing yield performance across operations.

Equally important is our continued emphasis on operational excellence. Every improvement in productivity, energy efficiency, recovery rates, and process optimization contributes to mitigating the impact of external cost pressures. This disciplined approach has helped us maintain competitiveness even during periods of market volatility.

Q. How do you view the outlook for specialty steel in India over the next decade?

A: The outlook for specialty steel in India remains extremely promising.

India is entering a phase of accelerated industrialization driven by infrastructure expansion, manufacturing growth, defence modernization, renewable energy investments, railways, aerospace development, electric mobility, and advanced engineering applications. Each of these sectors requires increasingly sophisticated & advanced alloys with higher performance, reliability, and precision.

The Government's continued focus on manufacturing competitiveness, import substitution, defence indigenization, and infrastructure development is creating strong long-term demand drivers for specialty steel products.

In addition, global supply chain diversification is opening new opportunities for Indian manufacturers. Customers increasingly seek suppliers that can offer quality, consistency, technical expertise, supply reliability & more importantly who can deliver products fitting into their complex performance requirement. Specialty steel producers that can continuously innovate, develop advanced grades, and maintain world-class quality standards are well positioned to capitalize on these opportunities.

Q. What differentiates Kalyani Steels in an increasingly competitive market?

A: Our differentiation comes from a combination of metallurgical expertise, customer focus, product quality, and operational discipline.

Over the years, we have built deep capabilities in manufacturing and engineering quality specialty steels for critical applications. Our products serve demanding sectors such as Automotive, Bearings, Energy, Oil & Gas, Engineering, Seamless Tubes, Defence, and other industrial applications where quality and reliability are paramount.

We work closely with customers to understand evolving application requirements and develop solutions that create long-term value. This collaborative approach, combined with our manufacturing capabilities and quality systems, has enabled us to build enduring customer relationships.

Most importantly, our culture encourages continuous improvement. We constantly strive to improve productivity, enhance product quality, optimize costs, and strengthen operational efficiency. This mindset remains one of our greatest competitive strengths.

Q. As you look ahead, what gives you the greatest confidence about the future?

A: What gives me confidence is the convergence of three powerful strengths- the long-term growth potential of India, the increasing relevance of specialty steel, and the capabilities that Kalyani Steels has built over decades.

India continues to offer one of the most compelling growth opportunities globally. Investments in infrastructure, manufacturing, defence, energy, transportation, and advanced engineering are expected to remain strong for many years. These sectors form the core markets we serve.

At the same time, Kalyani Steels possesses strong technical expertise, a customer-centric culture, a highly committed workforce, and a proven ability to adapt to changing market conditions. These strengths position us well to capitalize on emerging opportunities and create sustainable value for all stakeholders.

I would like to sincerely thank our employees, customers, suppliers, business partners, shareholders, and all stakeholders for their continued trust and support. Their confidence motivates us to continually improve, innovate, and build a stronger future together.

Warm Regards,

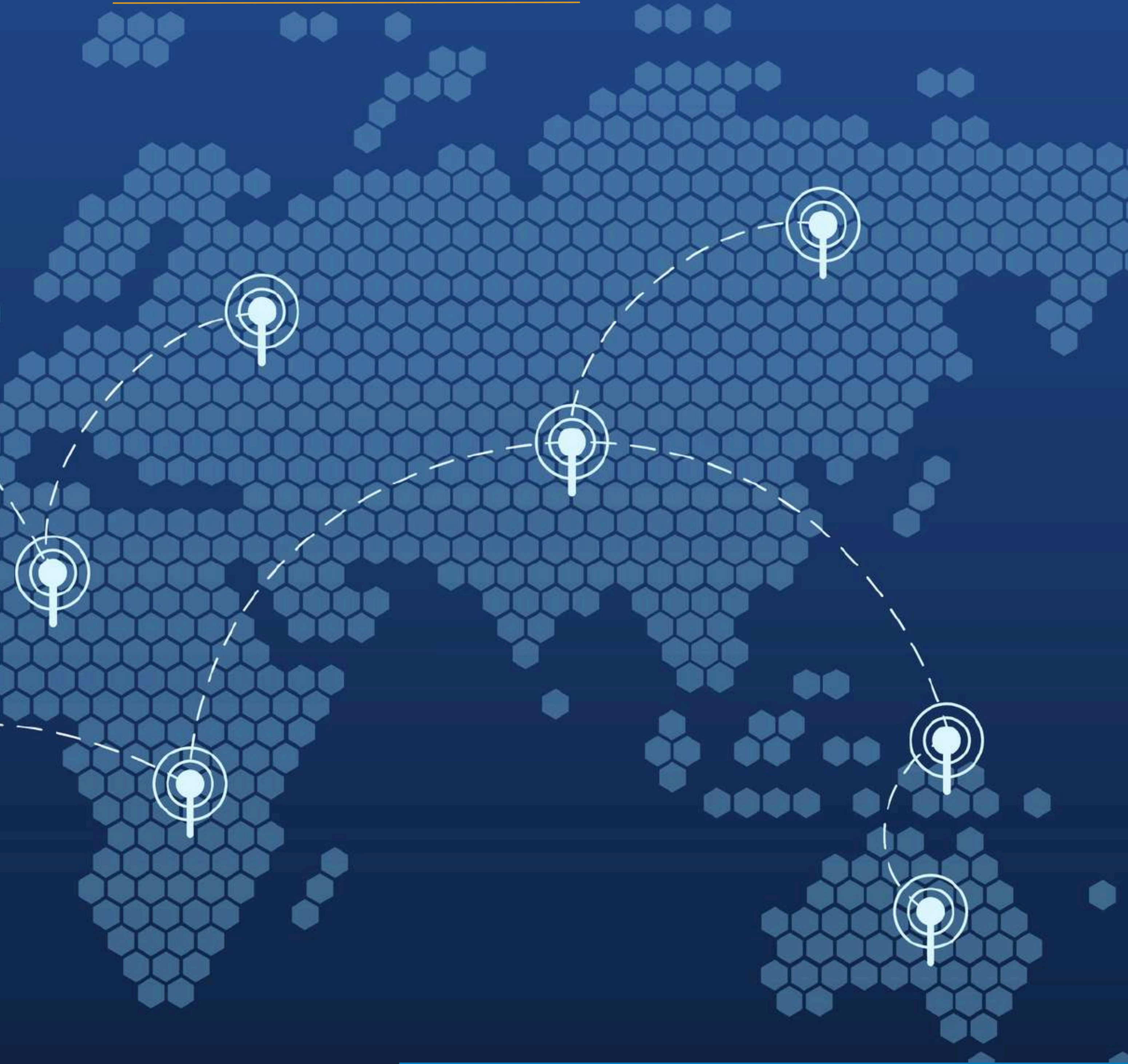
R K Goyal
Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

1.0 ECONOMIC OVERVIEW

ECONOMIC OVERVIEW

1.1 GLOBAL ECONOMY



> A YEAR OF RESILIENT GROWTH AMID FRAGILE STABILITY

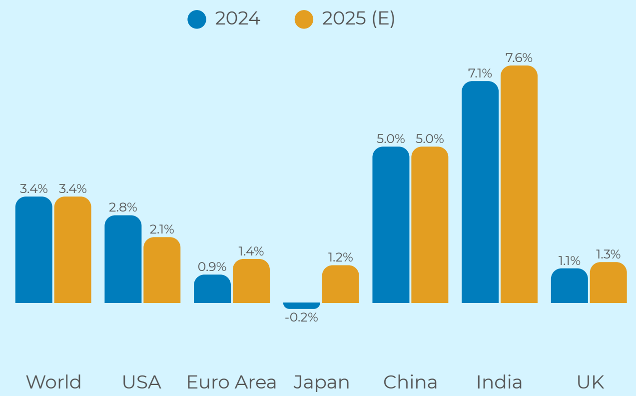
GLOBAL GDP GROWTH

Global GDP growth in CY 2025 reflected a resilient yet structurally constrained global economy, shaped by a combination of geopolitical tensions, trade policy shifts, monetary conditions, and uneven regional performance. A defining feature of CY 2025 was the protectionist trade policies, particularly renewed tariff actions led by the US. These actions created distortions in global trade flows, with some short-term front loading of exports but longer-term uncertainty for investment and supply chains. At the same time, geopolitical tensions including escalating conflicts in the Middle East contributed to volatility in energy markets, pushing up oil prices and inflation expectations, thereby tightening financial conditions globally.

Despite these headwinds, the global economy showed notable resilience due to fiscal support, and rapid investment in emerging technologies such as artificial intelligence. However, this resilience masked underlying fragility, as growth still relied on policy support and vulnerable to geopolitical and financial shocks.

Global GDP growth remains stable at around 3.4% from CY 2024 to CY 2025, indicating steady but unaccelerated economic momentum. However, growth trends diverge across regions. Advanced economies display a mixed and generally modest performance, with the US slowing from 2.8% to 2.1%, while the Euro Area and the UK show slight recoveries. Japan rebounded from negative growth (0.2%) to 1.2%, signalling recovery from earlier contraction. In contrast, emerging economies continue to lead global growth, with China maintaining stable growth at around 5% and India accelerating from 7.1% to 7.6%, making it the fastest growing major economy. Global growth is being driven more by emerging markets, while advanced economies grow slowly, leading to a more fragmented global economy.

GLOBAL GDP GROWTH (%)



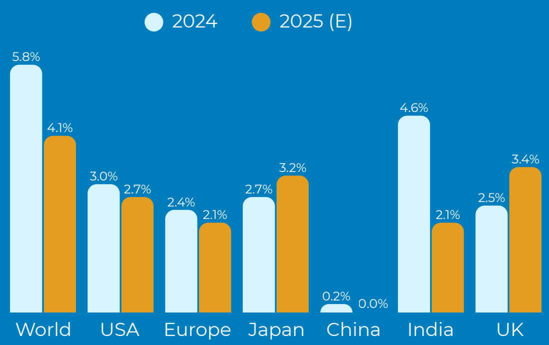
Source: World Economic Outlook - April 2026, International Monetary Fund

GLOBAL INFLATION OVERVIEW

In CY 2025, inflation pressures eased out to a certain extent but did not fully disappear. More importantly, inflation transitioned from a global crisis to a more localized phenomenon. Headline inflation declined across most major economies, but the pace and drivers of this decline varied significantly, reflecting differences in energy exposure, domestic demand conditions, monetary policy responses, and structural factors.

Advanced economies like the U.S. and Europe saw lower inflation as higher interest rates slowed demand. China experienced no inflation because of weak domestic demand and real estate slowdown which is acting as a major disinflationary force across the world. Meanwhile, India maintained moderate inflation supported by strong domestic demand and proactive monetary policy.

INFLATION RATE (%)



Source: : World Economic Outlook - April 2026, International Monetary Fund

GLOBAL CREDIT RATES

In CY 2025, global credit rates remained relatively high as central banks largely maintained a 'higher-for-longer' stance to ensure inflation was fully under control. In the United States, Europe, and the United Kingdom, borrowing costs stayed elevated for most of the year, with only gradual and cautious rate cuts beginning later. This kept financial conditions tight, slowed credit growth, and weakened investment and consumption. Towards the later part of CY 2025, rate cuts began to emerge, but transition to lower borrowing costs has been gradual.

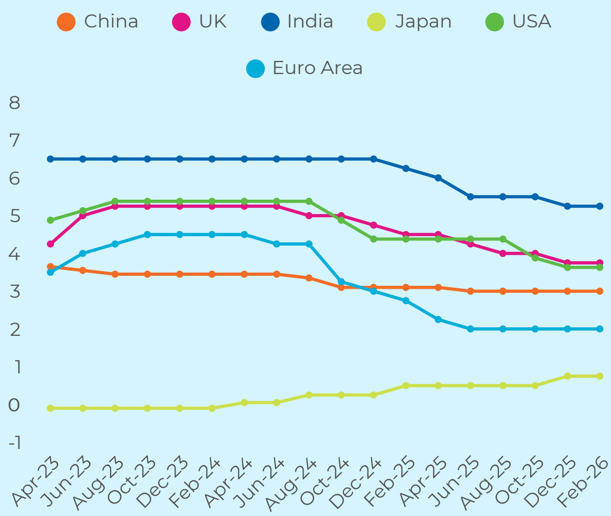
China presented a contrasting picture, with easing out credit conditions aimed at stimulating growth. Policymakers implemented targeted rate cuts and liquidity support measures considering weak domestic demand, property sector stress, and deflationary pressures.

India maintained its balanced approach towards keeping inflation under check while supporting the investments growth. India reduced interest rates sharply during the mid of the year and maintained the same for most of the year. While borrowing costs remained moderately high, robust domestic demand supported credit expansion, particularly in retail and infrastructure sectors.

In a major structural change, Bank of Japan moved away from negative interest rates, leading to a modest rise in domestic credit costs. While it is still low by global standards, this marked a significant change, signalling a normalization of Japan's financial system.

Overall, global credit conditions in CY 2025 were tight but are gradually improving, shaped by the lagged impact of past rate hikes, cautious banking behaviour, and ongoing geopolitical and economic uncertainties.

CENTRAL BANK POLICY RATES



Source: Bank for International Settlements (2026), Central bank policy rates, BIS WS_CBPOL 1.0 (data set)

GEOPOLITICAL & TRADE DEVELOPMENTS

Global trade developments in CY 2025 were strongly shaped by a chain of tariff actions and counteractions, marking a clear shift from cooperative globalization towards retaliatory trade policies. The year began with major economies particularly the US expanding tariffs on a range of imports in sectors such as clean energy equipment, metals, and advanced manufacturing, citing domestic industry protection and national security. These measures were not isolated; they triggered a wave of retaliatory tariffs from affected trading partners, including China and parts of the European Union, leading to an escalation of trade frictions.

This back-and-forth tariff cycle created uncertainty in global trade flows, as exporters rushed to front-load shipments ahead of tariff hikes, followed by sharp corrections once duties came into effect. Supply chains were disrupted as companies recalibrated sourcing strategies to avoid high-tariff corridors. For instance, trade flows began shifting toward low-tariff or neutral countries, accelerating the "China+1" strategy, with manufacturing and exports increasingly routed through countries like India, Vietnam, and Mexico. This resulted in a rerouting rather than a reduction of trade, with intermediate goods often moving through multiple geographies to optimize tariff exposure.

At the same time, sector-specific trade restrictions intensified, particularly in high-technology areas such as semiconductors and critical minerals. Export controls and import barriers limited direct trade between key global players, forcing companies to redesign supply chains and invest in localized production capacities. These developments contributed to the emergence of trade blocks, where countries strengthened intra-block trade while reducing dependence on geopolitically sensitive partners.

Geopolitical events further amplified these tariff-driven disruptions. Tensions in key regions, especially the Middle East, added volatility to energy trade, impacting shipping routes and insurance costs. Combined with tariff pressures, this led to higher transaction costs in global trade, even as overall trade volumes remained relatively stable.

Despite these challenges, the value of global trade increased substantially during CY 2025 reaching about $ 35 Trillion, an increase of around $ 2.5 Trillion compared to CY 2024. Goods account for about $ 1.8 Trillion of that rise (about 7% growth), while services contributed roughly $ 700 Billion (about 8% growth). Global trade started strong in early CY 2026, but growth is expected to slow in the rest of the year. Ongoing tensions in the Middle East and of Hormuz are likely to push up inflation and strain an already fragile global economy facing geopolitical uncertainties and policy shifts. Rising energy prices, along with uncertain tariff measures and regulatory changes, are further weighing on trade. While strong demand in areas like AI, digital technologies, critical minerals and green industries may provide some support, it is unlikely to fully offset these challenges.

CLIMATE POLICIES

The Carbon Border Adjustment Mechanism (CBAM) became a key climate-trade policy tool in CY 2025, particularly led by the EU as part of its effort to prevent carbon leakage and ensure a level playing field for domestic industries. In CY 2025, CBAM remained in its transitional phase, focusing on emissions reporting and compliance systems rather than full financial penalties, but it significantly increased transparency and administrative requirements for exporters worldwide.

The mechanism prompted exporting countries, especially emerging economies, to reassess production processes, improve emissions tracking, and consider carbon pricing frameworks to stay competitive.

While CBAM supported global decarbonization goals, it also raised concerns about trade barriers, cost escalation, and unequal impact on developing economies, making it a central point of discussion in global trade and climate negotiations.

OUTLOOK: STRUCTURAL SHIFTS IN TRADE, ENERGY AND TECHNOLOGY

The global GDP outlook remains moderate but increasingly fragile, with world growth projected at 3.1% in CY 2026 and 3.2% in CY 2027, below long-term averages.

It is worth noting that after showing resilience through CY 2025, the global economy is now facing headwinds from escalating geopolitical tensions, higher energy prices, tighter financial conditions, and ongoing trade disruptions.

Among major economies, the US is expected to grow at around 2.3%, supported by fiscal policy and the lagged impact of monetary policy rate cuts in CY 2025.

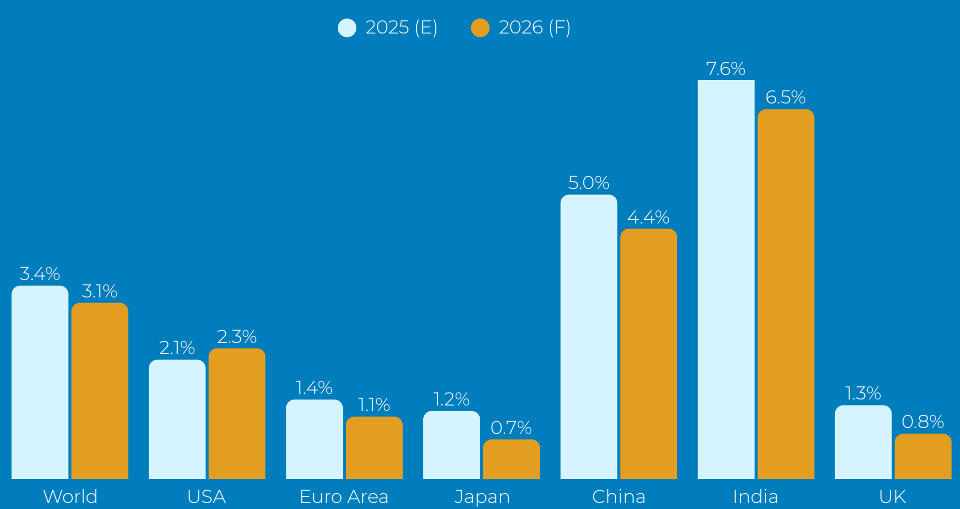
The UK is projected to see modest growth of about 0.8%, reflecting gradual recovery amid persistent inflationary pressures and uncertain war situations.

China's growth is expected to remain relatively stable at around 4.4%, though weighed down by weak domestic demand and structural challenges in the real estate sector.

In contrast, India continues to lead global growth, with projected growth of around 6.5%, driven by strong domestic demand, carryover of the strong momentum and decline in additional US tariffs on Indian goods from 50% to 10%, which outweigh the adverse impact of the Middle East conflict.

Overall, while emerging economies would continue to anchor global growth, advanced economies are growing more slowly, and rising geopolitical tensions, energy market uncertainties, and trade disruptions pose significant downside risks to the global growth outlook.

GLOBAL GDP GROWTH FORECAST (%)



Source: : World Economic Outlook - April 2026, International Monetary Fund

ECONOMIC OVERVIEW

1.2 INDIAN ECONOMY

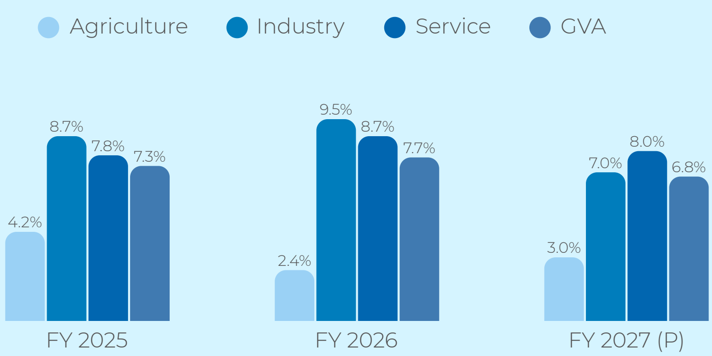
A ROBUST GROWTH PERFORMANCE AMID GLOBAL CHALLENGES

Indian economy concluded the fiscal year on a trajectory of meaningful resilience delivering a robust growth performance that outperformed global peers despite a backdrop of fragmented trade, geopolitical conflicts induced uncertainty and fluctuating commodity prices. Real GDP expanded at a commendable rate of 7.6%, a feat driven by a strategic combination of domestic demand, rising infrastructure investment, and government-led capital expenditure, along with expansion in services. A relatively stable banking system improved corporate balance sheets, and ongoing structural reforms also contributed to economic stability and growth.

Gross value added (GVA) at constant prices is estimated to have increased by 7.7% in FY 2026 as against 7.3% in FY 2025. Private Final Consumption Expenditure (PFCE) which has the highest contribution to GDP (55.7%) has increased by 7.7%. Gross Fixed Capital Formation (GFCF), a measure of investment in fixed capital contributing 32% to GDP, increased by 6.4%, & Government Final Consumption Expenditure (GFCE) which contributes 10.2% to GDP increased by 6.6% in FY 2026.

In FY 2025, overall GVA growth stands at 7.3%, driven mainly by services (7.8%) and industry (8.7%), while agriculture lags at 4.2%, indicating uneven sectoral contribution. In FY 2026, GVA growth strengthened to 7.7%, led by a rise in industrial growth at 9.5%, supported by infrastructure push and manufacturing momentum. Services growth remained strong at 8.7%, while agriculture growth weakened to 2.4%, reflecting volatility and lower rural contribution.

GVA ANNUAL GROWTH RATE (%)

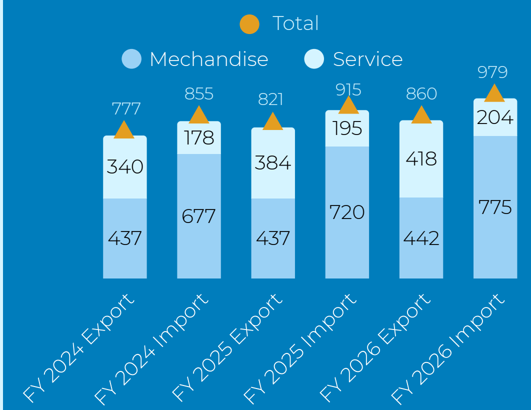


Source: National Statistics Office, Ministry of Statistics & programme Implementation Press release dated February 27, 2026, RBI's survey of professional forecasters dated April 8, 2026.

TRADE BALANCE INCREASED BY 27% IN FY 2026 AS AGAINST 21% IN FY 2025

In FY 2026, despite global economic challenges, India has continued its exports momentum. Exports of merchandise and services are estimated to have increased by 5% to reach $ 860 Billion while imports have increased by 7% to reach $ 979 Billion. However, the trade balance has also increased by 27% in FY 2026 as compared to FY 2025.

INDIA TRADE STATISTICS (in $ BN)



Source: Department of Commerce, Ministry of Commerce & Industry

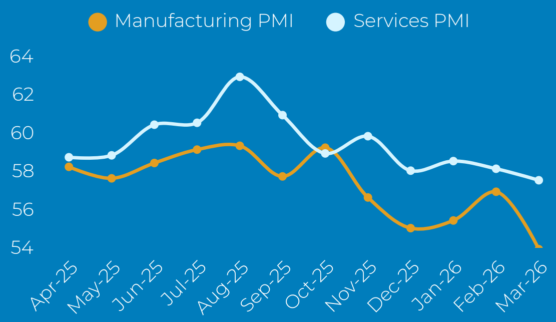
India increased imports of electronic goods (23.1%), Gold (30.6%), Silver (162.4%), Chemical materials (29.6%), non-ferrous metals (21.8%) whereas increased exports of Engineering goods (9.6%), Electronic Goods (29.7%), Meat & Dairy products (27.5%), Drugs & Pharmaceuticals (6.6%).

India's Top 5 export destinations along with their annual growth in FY 2026 include China (36.7%), Spain (46.3%), Hong Kong (33.2%), Vietnam (22.8%) & Sri Lanka (21.1%) whereas Top 5 import sources in FY 2026 include China (16.0%), USA (15.9%), Hong Kong (23.3%), Peru (78.1%) & UK (36.1%).

HEALTHY LEVELS OF MANUFACTURING & SERVICES PMI IN FY 2026

Throughout FY 2026, India's manufacturing purchasing managers index (PMI) remained above 50, signalling continuous expanding output reaching at its maximum in a year at 59.3 in August 2025. However, PMI decreased in second half of the FY 2026 and touched the year's low at 53.9 in March 2026. Services PMI increased during first half of the year and reached year's maximum at 62.9 in August 2025 after which it declined continuously.

INDIA'S PMI INDICES

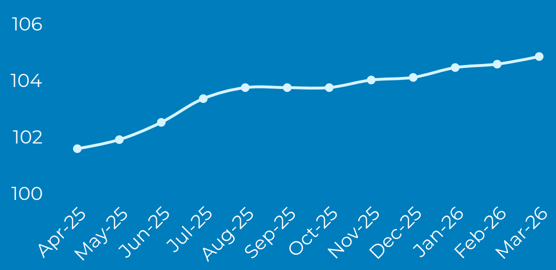


Source: RBI bulletin, April 2026

INFLATION HAS BEEN WELL WITHIN CONTROL

CPI (Consumer Price Index) inflation in FY 2026 remained low and well within the RBI's comfort range, reflecting strong macroeconomic stability. Headline inflation averaged in the range of ~2-3.5% during the year, with some periods even seeing inflation below 3%. For instance, CPI inflation was around 2.75% in January 2026 and rose modestly to about 3.4% by March 2026.

CPI INDEX



Source: MOSPI Data, Base year 2024=100

OUTPUT OF 8 CORE INDUSTRIES HAS GROWN BY JUST 2.6% IN FY 2026.

In FY 2026, overall growth of 8 core industries declined to 2.6% from 4.5% in FY 2025 and 7.6% in FY 2024, indicating weakening industrial momentum.

A key trend is the broad-based slowdown across energy-related sectors. Coal growth turned negative at (0.5%), while crude oil (2.8%) and natural gas (2.8%) continued to contract, reflecting structural constraints and lower output. Refinery products and fertilizers also saw near-stagnant growth at around (0.1%), suggesting weak demand and margin pressures. Electricity growth dropped sharply to 0.9%, highlighting softer industrial and consumption demand.

In contrast, infrastructure linked sectors showed resilience. Steel growth improved significantly to 9.1%, and cement rose to 8.6%, driven by strong government capex, construction activity, and infrastructure development. These sectors partially offset the drag from energy segments but were not sufficient to maintain overall momentum.

Y-O-Y GROWTH RATES

Sector	Weight	FY 2024	FY 2025	FY 2026 (Prov.)
Coal	10.3	11.8	5.1	(0.5)
Crude Oil	9.0	0.6	(2.2)	(2.8)
Natural Gas	6.9	6.1	(1.2)	(2.8)
Refinery Products	28.0	3.6	2.8	(0.1)
Fertilizers	2.6	3.7	2.9	(0.1)
Steel	17.9	12.5	6.8	9.1
Cement	5.4	8.9	6.3	8.6
Electricity	19.9	7.1	5.1	0.9
Total	100.0	7.6	4.5	2.6

Source: Press Release, Ministry of Commerce & Industry, Department for Promotion of Industry and Internal Trade, Office of the Economic Adviser, dated 20th April 2026

OUTLOOK: GROWTH MOMENTUM TO SUSTAIN THOUGH EXTERNAL RISKS PERSIST

India's economic outlook for FY 2027 points to strong but moderating growth, with GDP growth expected ~6.5%. This reflects a normalization from the higher growth seen in FY 2026, while still positioning India as the fastest-growing major economy globally. Growth is expected to remain domestically driven, supported by consumption, infrastructure investment, and a resilient services sector, even as external conditions remain uncertain.

Private consumption is likely to remain a key growth driver. Government-led capital expenditure, particularly in infrastructure such as roads, railways, and energy, will continue to attract private investment. At the same time, manufacturing is expected to gain traction through various policy supports and global geopolitical conflicts induced supply chain diversification, although weakened global demand may limit export-led growth.

On the inflation front, CPI inflation is expected to remain within the RBI's target band of 4-5%, assuming stable food and commodity prices. However, risks remain from crude oil price volatility amid Middle East war situations and weather related disruptions affecting food inflation. This balanced inflation outlook provides room for a stable monetary policy, supporting growth without triggering price instability.

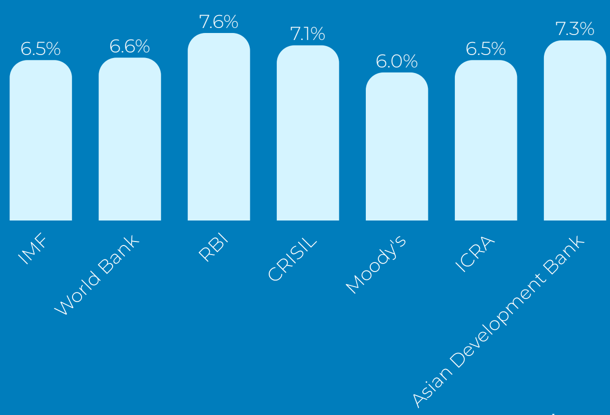
Merchandise exports may see moderate growth due to weak global demand and trade fragmentation, while services exports especially IT and digital services will remain a strong pillar. However, for Indian economy, it would be important to reduce its Current Account Deficit, particularly by reducing the Merchandise imports.

Industrial and infrastructure sectors are likely to remain key contributors, supported by public investment and rising capacity utilization. However, performance may vary across sectors, with energy-related segments facing structural constraints, while steel, cement, and construction-linked industries continue to benefit from infrastructure demand.

Overall, in FY 2027 Indian economy is expected to have stable growth with cautious optimism. Strong domestic consumption and private capital infusion will support growth, while risks from global uncertainties amid war will drive key commodity prices volatile. Such volatility may disrupt trade flows and in turn may moderate the pace of the growth.

In latest forecast, various agencies worldwide have projected a growth rate in the range of 6.0% to 7.6% for India as against an estimated GDP growth of 7.6% in FY 2026.

FY 2026-27
GDP GROWTH PROJECTION (%)



2.0 STEEL INDUSTRY OVERVIEW

WORLD STEEL OUTPUT SHRUNK BY 2%, PRIMARILY LED BY CHINA

STEEL INDUSTRY OVERVIEW

2.1 GLOBAL STEEL INDUSTRY

The global steel industry in CY 2025 saw a decline in crude steel production marked by lower demand, regional imbalances, and persistent structural challenges, particularly in China. Global steel production came down to 1,850 Million tons in CY 2025 from 1,887 Million tons in CY 2024, reflecting an overall decrease of nearly 2% to the previous year. Production trends were uneven; with several regions experiencing Y-o-Y declines due to weak end-use demand, energy costs, supply disruptions & rising commodity prices.

A major drag on the industry was China, where a prolonged slowdown in the real estate sector reduced domestic steel consumption. Although production declined, China increased exports significantly, leading to global oversupply and downward pressure on prices. At the same time, global steelmaking capacity continued to exceed demand, keeping utilization levels subdued and intensifying competition across markets.

In contrast, emerging economies provided growth support, particularly India. India stood out as a key growth driver, supported by strong infrastructure spending and construction activity, while demand in developed economies remained weak, with only marginal improvement. This created a divergent demand pattern, where emerging markets sustained growth while advanced economies lagged.

Trade dynamics in CY 2025 were increasingly shaped by protectionist measures, including tariffs and safeguard duties introduced by major economies to shield domestic producers. These measures led to fragmentation of global trade flows, higher compliance costs, and a shift toward regional trade patterns. Additionally, high energy costs and geopolitical tensions continued to impact production economics, particularly in energy intensive regions such as Europe.

Top 10 Steel Producing Countries (Million tons)

Country	CY 2025	CY 2024	Growth %
World	1,850.2	1,886.8	(1.9)
China	960.8	1,005.1	(4.4)
India	164.9	149.4	10.4
Japan	80.7	84.0	(4.0)
USA	81.9	79.5	3.1
Russia	67.9	71.0	(4.4)
S. Korea	62.2	63.6	(2.2)
Germany	34.1	37.3	(8.6)
Turkey	38.1	36.9	3.3
Brazil	33.4	33.9	(1.4)
Iran	32.0	31.4	2.0

Source: World Steel Association Data

EU steel industry faced a challenging operating environment, due to weak demand, high costs, and increasing import pressure. Steel consumption remained sluggish particularly in Germany. At the same time, steel producers grappled with elevated energy prices and carbon compliance costs, which continued to erode competitiveness against lower-cost imports. Rising inflows of steel especially from Asia amid global oversupply further pressured domestic prices and margins, prompting the EU to maintain safeguard measures and trade protections.

INPUT PRICES

IRON ORE

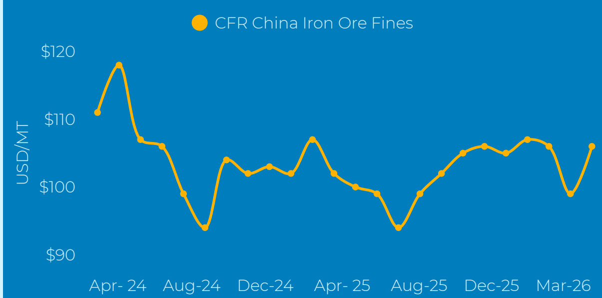
Iron ore is the key raw material for steelmaking. During CY 2025, iron ore prices were seen relatively stable ranging between USD 100/MT to USD 107/MT. China's steel production declined by around 4.4% (falling below ~1 Billion tons), mainly due to the ongoing real estate sector slowdown. This reduced actual consumption of iron ore and created downward pressure on prices.

However, despite weaker steel output, iron ore prices did not collapse sharply. In CY 2025, China's iron ore imports increased by ~1.8% reaching to ~1.26 Billion tons, driven by stockpiling behaviour, expectations of government stimulus, and relatively lower prices encouraging inventory buildup. This created a paradox where physical demand appeared strong (imports high), but real consumption remained weak.

External events such as tensions in the Middle East led to spikes in crude oil prices which significantly increased freight costs for iron ore shipments. This resulted in temporary price increases in the second half of CY 2025.

The dominance of China in both steel production and iron ore imports ensured that any change in its industrial activity or policy outlook had an immediate and amplified effect on global prices, making the market sentiment-driven and structurally fragile.

IRON ORE PRICE TREND

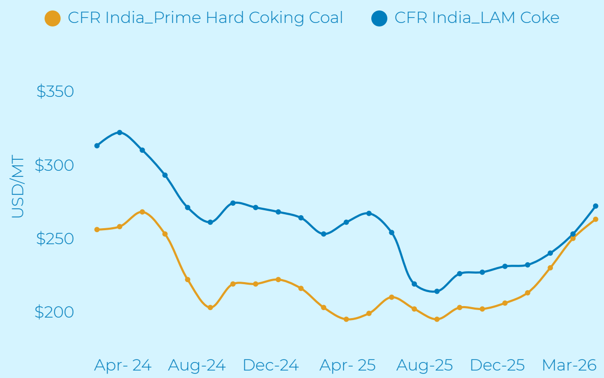


COKING COAL

Coking Coal prices continued a downward trend in CY 2025 as compared with CY 2024 primarily due to weaker steel demand in China. In CY 2024, average price of Prime Hard Coking coal was $ 254/MT, and it decreased to an average of $ 206/MT in CY 2025 leading to a decrease of ~23%. While the prices remained subdued for most of the year, towards the end of the year, prices increased and the momentum is seen to be continuing in CY 2026.

Another important trend was the rising influence of India as a demand driver. While China remained the dominant price setter, India's growing steel production and import dependence supported demand, especially in the latter part of CY 2025. Increased buying activity from Indian steelmakers particularly ahead of fiscal year-end provided temporary support to prices when global demand was otherwise weak. However, policy interventions such as restrictions on metallurgical coke imports in India added complexity to the market.

COKING COAL & COKE PRICE TREND



As we entered CY 2026, we can see the difference between Coking coal and LAM coke has been narrowing continuously putting up price pressures on local Coke making production facilities. Specially, during the month of January 2026, the difference has been only $ 2/MT. However, subsequently, the difference has again started to widen reaching to almost ~$ 23.5/MT in March 2026.

HRC PRICES

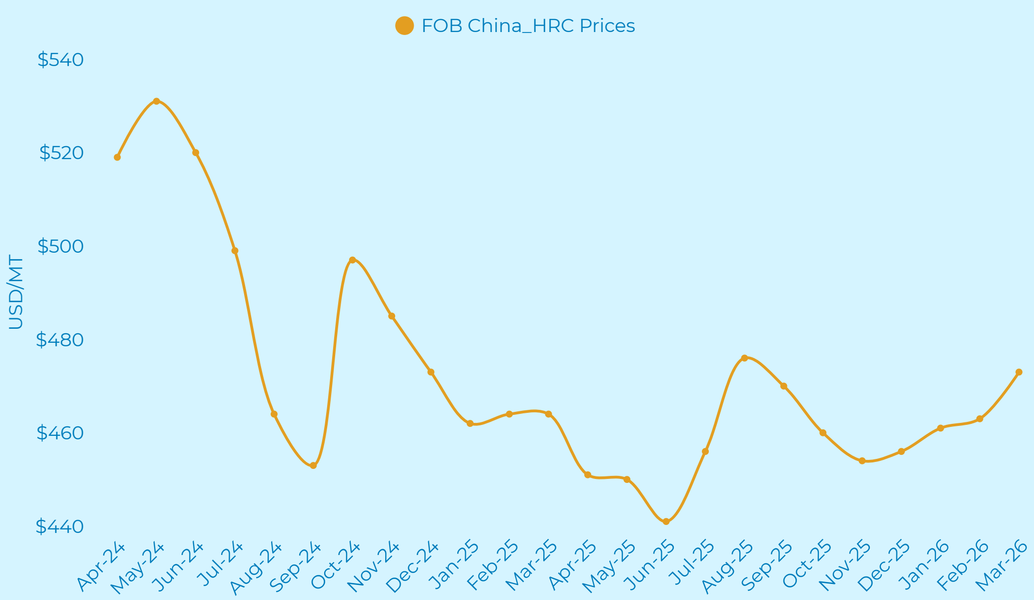
HRC prices, a key indicator for steel prices globally, exhibited a similar trend to that of key raw materials Iron Ore & Coking coal. In CY 2025, HRC Prices remained relatively lower as compared to CY 2024. Across regions, HRC prices struggled to sustain upward momentum due to subdued consumption, even as cost pressures and trade measures created short-term fluctuations.

A key driver of HRC price movements in CY 2025 was China's domestic demand weakness and export surge. The slowdown in China's real estate and construction sectors reduced domestic steel consumption, forcing mills to push excess supply into export markets. As a result, China's steel exports surged to over 119 Million tons an increase of 7.5% Y-o-Y, flooding markets in Southeast Asia, the Middle East, and even Europe with competitively priced material. This led to downward pressure on global HRC prices, particularly in import dependent regions. Chinese export offers often undercut domestic prices in these regions, making it difficult for local producers to maintain margins.

Across Southeast Asia, demand remained moderate but price sensitive, with countries like Vietnam and Indonesia acting as key import hubs. Prices in these markets largely tracked Chinese export offers, rising when China increased prices and falling when oversupply intensified. Trade flows became highly dynamic, with buyers frequently shifting sourcing based on short-term price price advantages.

Overall, in CY 2025 HRC prices were again driven by China with weak global demand and policy induced volatility. While demand remained subdued across most regions, Chinese exports and policy signals dominated price direction.

HRC PRICES



OUTLOOK: OVERALL STEEL DEMAND IS PROJECTED TO REMAIN FLAT

The World Steel Association's latest forecast (April 2026) indicates that global steel demand will remain flat in CY 2026, reaching approximately 1,724 Million tons as against 1,718 Million tons in CY 2025. At the same time, it predicts that steel demand will rebound by ~2.2% in CY 2027 to reach 1,762 Million tons confirming that global steel demand is bottoming out over the 2025-2026 period.

China: As the largest global consumer of steel, Chinese steel demand is expected to reduce by 1.5% in CY 2026, as the housing market correction nears its bottom. Infrastructure investments in the country are expected to edge up this year, supported by local government efforts & government stimulus to maintain moderately strong GDP growth.

India: In contrast, India is expected to be a significant driver of global steel demand, with an anticipated 7.4% growth in CY 2026. This surge is primarily attributed to strong infrastructure development and expansion in manufacturing, bolstered by governmental policies to support industrialization & urbanization and nationwide rail network expansion.

United States: The U.S. steel market is poised for a moderate recovery, with demand growth expected to be around 1.7% supported by technology-driven and policy-backed private sector investment, along with continued public infrastructure spending. The U.S. government's focus on infrastructure projects and industrial rejuvenation is a key factor supporting this demand growth.

Europe: European steel demand is projected to see a steady recovery, with growth estimated at 1.3% in CY 2026. The demand growth reflects increased infrastructure and defence spending in the continent. However, the region's high exposure to energy price spikes remains a significant downside risk for CY 2026.

The key determinants of the global steel demand outlook for CY 2026 will be resolution of Middle East war, effectiveness of interest rate adjustments in spurring private consumption and business investment, and the trajectory of infrastructure spending dedicated to decarbonisation and digital transformation across major global economies.

Steel Demand Forecast (Million tons)

Country	CY 2025	CY 2026 (F)	Growth %
World	1,718.2	1,724.1	0.3
China	796.0	784.1	(1.5)
India	159.8	171.6	7.4
Japan	48.0	47.9	(0.2)
USA	90.9	92.4	1.7
Russia	37.6	37.2	(1.1)
S. Korea	43.6	43.7	0.2
Germany	29.2	30.7	5.1
Turkey	39.3	41.2	4.8
Brazil	26.8	27.0	0.7

2.2 INDIA STEEL INDUSTRY

> STRONG GROWTH IN STEEL PRODUCTION LED BY DOMESTIC CONSUMPTION

The Indian steel industry remained a shining bright spot in global steel industry in FY 2026 delivering a strong performance, reinforcing its position as the world's second-largest steel producer, despite a challenging global environment marked by weak demand and trade disruptions.

Crude steel production recorded robust growth, increasing by about 12.2% year-on-year to 168 Million tons, driven by strong domestic demand, capacity expansions, infrastructure spends and private capital spending.

This growth highlights India's continued industrial momentum, especially as global steel production remained relatively weak.

In terms of DRI production, India continued to maintain its position as the world's largest DRI producer at 60.3 Million tons production in FY 2026, supported by coal-based sponge iron capacity and strong demand from secondary steel producers.

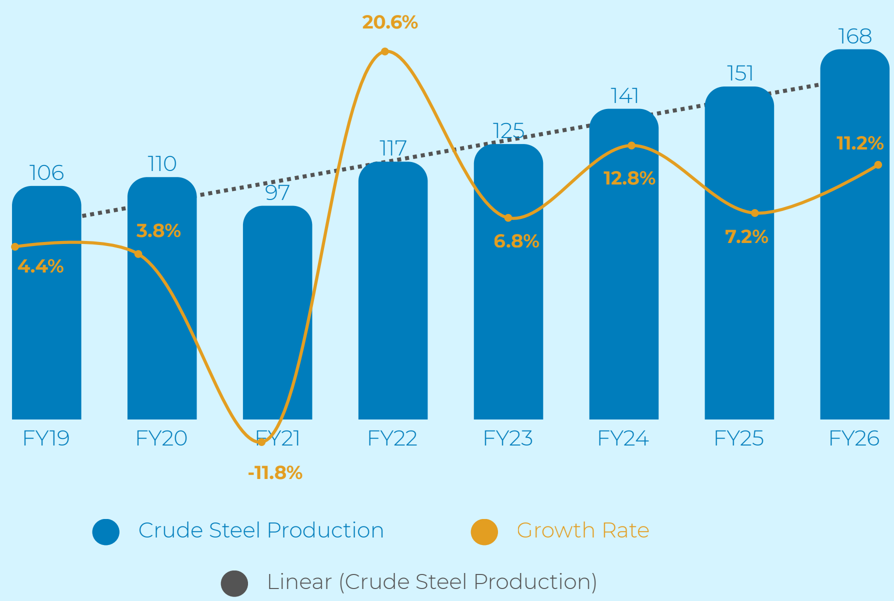
A major highlight of FY 2026 was the sharp turnaround in the trade balance. India regained its position as a net exporter of finished steel, reversing the trend of the previous two years. Finished steel exports surged by ~36% to ~6.6 Million tons, while imports declined sharply by ~31.7% to ~6.5 Million tons.

In FY 2026, India imposed safeguard duty of 12% on imports of non-alloy and alloy steel flat products to protect domestic steel producers from a surge in low-cost imports, particularly from Asian markets. The measure aimed to stabilize domestic prices and ensure fair competition, while supporting capacity utilization of Indian mills.

On the demand side, finished steel consumption increased by ~7% reaching to ~164 Million tons, driven by strong infrastructure spending, revival in construction, railways, steady demand from automotive and capital goods sectors.

The steel industry also witnessed continued investments to expand production capacity. India's total steel capacity, reached to 220 Million tons in FY 2026 up from 205 Million tons in FY 2025, reflecting the sector's dynamic growth trajectory.

INDIAN CRUDE STEEL PRODUCTION
(Million tons per Annum)

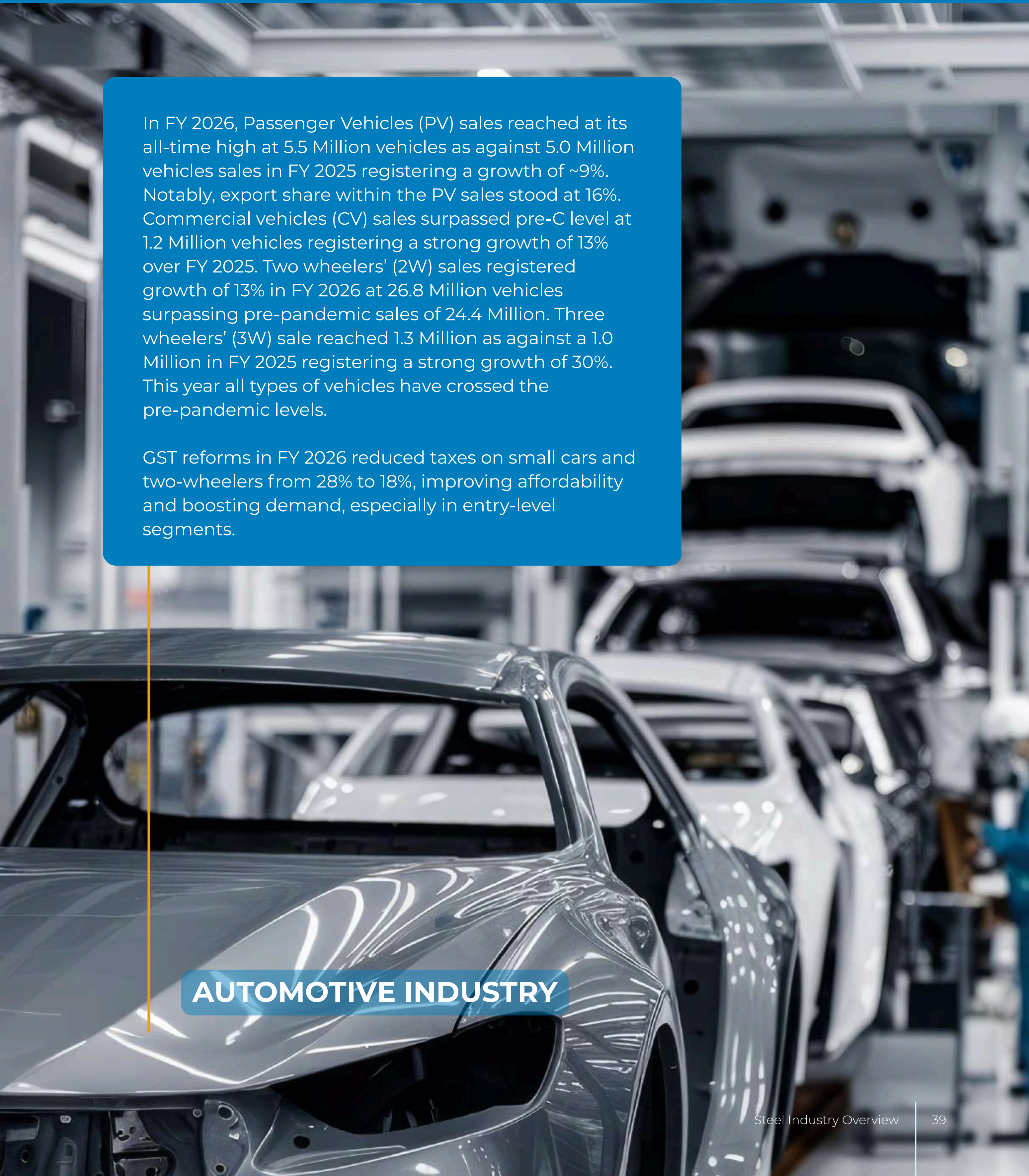


MAJOR DRIVERS OF GROWTH

AUTOMOTIVE INDUSTRY

In FY 2026, Passenger Vehicles (PV) sales reached at its all-time high at 5.5 Million vehicles as against 5.0 Million vehicles sales in FY 2025 registering a growth of ~9%. Notably, export share within the PV sales stood at 16%. Commercial vehicles (CV) sales surpassed pre-C level at 1.2 Million vehicles registering a strong growth of 13% over FY 2025. Two wheelers' (2W) sales registered growth of 13% in FY 2026 at 26.8 Million vehicles surpassing pre-pandemic sales of 24.4 Million. Three wheelers' (3W) sale reached 1.3 Million as against a 1.0 Million in FY 2025 registering a strong growth of 30%. This year all types of vehicles have crossed the pre-pandemic levels.

GST reforms in FY 2026 reduced taxes on small cars and two-wheelers from 28% to 18%, improving affordability and boosting demand, especially in entry-level segments.



CONSTRUCTION & INFRASTRUCTURE

Government of India allocated a record ₹ 12.2 lakh crore towards capital expenditure (capex) in the Union Budget for FY 2027, accounting for 4.4% of GDP. This marks a strong step-up from the ₹ 11.2 lakh crore for FY 2026, reinforcing the government's commitment to high-impact investment.

The expanded capex framework is focused on infrastructure modernization, defence capability enhancement, and state-led development initiatives. This strategic push in public investment is designed to attract private investment, accelerate project execution, and strengthen industrial capacity. Such high capex framework is set to build a more resilient, investment-driven, and future-ready Indian economy.

The industrial and capital goods sectors remain important demand drivers for the steel industry, given their extensive use of steel in the manufacture of machinery, equipment and industrial infrastructure. The capital goods sector, contributing nearly 2% to India's GDP, accounts for an estimated 12-15% of the country's finished steel consumption.

Government initiatives such as Make in India, the National Capital Goods Policy and increased investments in manufacturing and infrastructure are expected to strengthen demand for finished and specialty steels. As industries increasingly adopt advanced technologies and focus on localisation, the need for high-quality engineering and specialty steels is likely to grow.

With India's industrial ecosystem continuing to expand, the industrial segment is expected to remain a key contributor to long-term steel demand growth, creating opportunities for specialty steel manufacturers catering to critical engineering applications.

INDUSTRIAL & CAPITAL GOODS

RENEWABLE ENERGY

India's renewable energy sector is not only advancing the country's clean energy transition but also emerging as a significant driver of steel demand, supported by large-scale investments in solar, wind, transmission and energy storage infrastructure.

During FY 2026, India's total installed renewable energy capacity crossed 288.58 GW GW, reflecting continued capacity additions across solar and wind power. India remains among the world's leading renewable energy markets, with installed solar capacity exceeding 125 GW, reinforcing its position as a global leader in clean energy deployment.

Complementing the installed base is a strong pipeline of renewable energy projects under implementation and tendering. Backed by the Government's target of achieving 500 GW of non-fossil fuel-based power capacity by 2030, sustained investments in renewable energy infrastructure are expected to drive long-term demand for high-quality steel and specialty steel across the value chain.

BUSINESS REVIEW

OPERATIONAL PERFORMANCE

FY 2026 was largely driven by external global shocks including China's policy measures induced volatile commodity & raw material prices, fluctuating demand etc. However, tight focus & vigilance on global markets helped Kalyani Steels Limited to continue its profitable journey.

The Company achieved Total Income of ₹ 19,020, consisting of Revenue from Operations of ₹ 18,456 Million and Other Income of ₹ 564 Million. Revenue from Operations includes Manufacturing Revenue of ₹ 17,509 Million, Trading Revenue of ₹ 623 Million and other Operating Revenue of ₹ 324 Million. Profit before taxation for FY 2026 stood at ₹ 3,442 Million as against ₹ 3,427 Million in FY 2025.

Manufacturing Revenue consists of sale of Rolled Products, As Cast Blooms and Foundry Coke & BF Coke. The Company sold 218,187 tons of Rolled Products aggregating ₹ 15,657 Million, 17,243 tons of As Cast Blooms aggregating ₹ 1,189 Million and 20,809 tons of Foundry Coke and BF Coke aggregating ₹ 663 Million.

Key Financial Ratios:

Particulars	FY 2026	FY 2025	Change (%)
Debtor's Turnover	3.91	4.59	(14.89)
Inventory Turnover	4.90	5.50	(10.94)
Interest Coverage Ratio	47.45	22.87	107.42*
Current Ratio	1.96	1.79	9.87
Debt Equity Ratio	0.23	0.23	(1.54)
Operating Profit Margin (%)	19.12	18.23	4.86
Net Profit Margin (%)	14.07	12.93	8.83
Net Worth (₹ in Million)	20,996	19,044	10.25
Return on Net Worth (%)	12.15	13.29	(8.54)

*Increase due to lower interest cost on account of lower borrowing.

INTERNAL CONTROL

INTERNAL CONTROL SYSTEMS

Internal control systems are an integral part of any organization to safeguard its assets & interests and the company always puts greater emphasis on strengthening and reviewing its control systems in place for continuous improvement.

The company has well established and effective system of internal controls corresponding to its size, nature of business & complexity of operations. The internal control systems comprise of clearly defined authority and responsibility levels across a well-defined organizational structure. The system is backed by comprehensive documented policies, guidelines and procedures governing the operations of respective business areas and functions. These controls have been designed to safeguard the assets and interests of the Company & its stakeholders and to ensure compliance with policies, procedures and applicable regulations.

The internal control system is supplemented by internal audits and its review by the management on a periodic basis. In-house internal audit function is supported by external audit firms to conduct comprehensive risk focused audits. Such audits ensure and evaluate the effectiveness of the internal control structure on a regular basis. The audit covers the key processes across the functions, including plants, depots and other establishments. Suggestions to further strengthen the processes or make them more effective are shared with the Audit Committee of Directors along with status of action thereon.

HUMAN RESOURCES

HUMAN RESOURCES

The company believes that human capital is a critical factor of success and hence constantly strives to strengthen its work ethics, work culture, and align the workforce towards the common goal. Current workforce of the company is rightly poised to navigate through the current Volatile, Uncertain, Complex situation and to always maintain industry leading quality standards while maintaining the highest service levels.

The company continues to focus on upgrading knowledge and skill levels among its employees through various Learning & Development, training activities to enable them to move up the ladder. The company has well defined HR policies in place which enables it to build a strong performance oriented culture, belongingness to work and commitment to work.

As on March 31, 2026, the Company has 120 employees and 27 workers on its role and 250 workers on contract basis.

Hospet Steels Limited, a Company formed with the specific purpose of managing and operating the composite steel making facility at Ginigera, Karnataka in terms of Strategic Alliance between the Company and Mukand Limited, has 1,161 employees on its role and 1,247 workers on contract basis.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is a set of systems, principles and processes by which a Company is governed. It's core elements include transparency, accountability, responsibility, compliance, ethics and values. These elements collectively enable the Company to operate efficiently and ethically, fostering the generation of long-term wealth, unwavering commitment to protecting stakeholder interests, proactively managing risks and value creation for all its stakeholders. Corporate Governance framework also ensures that a Company makes timely disclosures and shares accurate information regarding its financials and performance. The Company is dedicated to conduct its business consistent with the highest standards of business ethics and values to achieve business excellence and believes that a strong governance framework is essential for achieving every milestone of its journey forward.

This report is prepared adhering to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as may be applicable from time to time.

This chapter of the report, along with the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitutes the compliance report of the Company on Corporate Governance as applicable for the Financial Year 2025-26.

1. BOARD LEVEL ISSUES

COMPOSITION OF THE BOARD

Kalyani Steels values and recognizes the importance of having a diverse Board. A Board with diverse experiences, thoughts, perspective, skill sets, gender and expertise ensure constructive deliberations and effective decision making.

The Board of Directors of the Company comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. All the Directors are people of eminence and bring a wide range of expertise, knowledge and experience to the Board, thereby ensuring the best interest of the stakeholders and the Company.

In terms of the Listing Regulations read with the Articles of Association of the Company, the strength of the Board shall not be less than six nor more than fifteen Directors. As on March 31, 2026, the Board of Directors of Kalyani Steels comprised of Eleven Directors. The Board consists of the Chairman, who is a Promoter Non-Executive Director, one Executive Director and nine Non-Executive Directors, of which five are Independent. Details of the composition of the Board of Directors are given in Table 1.

NUMBER OF BOARD MEETINGS

During the year 2025-26, the Board of the Company met four times on May 5, 2025, July 31, 2025, November 4, 2025 and February 3, 2026. All the meetings were held in such a manner that the intervening period between two consecutive meetings was well within the maximum gap of one hundred and twenty days prescribed under the Listing Regulations.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Table 1 : The composition of the Board, the category of Directors and their attendance at the meetings of the Board of Directors held during the year 2025-26 and at the last Annual General Meeting held on August 22, 2025 :

Name of the Director	Category	Particulars of Attendance		
		Number of Board Meetings		Last AGM
		Held	Attended	
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive Non-Independent	4	4	Yes
Mrs.Sunita B. Kalyani	Non-Executive Non-Independent	4	4	Yes
Mr.Amit B. Kalyani	Non-Executive Non-Independent	4	4	No
Mr.M.U. Takale	Non-Executive Non-Independent	4	4	Yes
Mr.Sachin K. Mandlik*	Independent	3	3	Yes
Mr.S.K. Adivarekar	Independent	4	4	Yes
Mrs.Shruti A. Shah	Independent	4	4	Yes
Amb.Ahmad Javed	Independent	4	4	Yes
Mr.S.G. Joglekar	Independent	4	4	Yes
Mr.Kartik Bharat Ram	Non-Executive Non-Independent	4	4	Yes
Mr.Raju S. Tolani	Independent	4	4	Yes
Mr.R.K. Goyal, Managing Director	Executive	4	4	Yes

* Ceased to be Director with effect from November 9, 2025, on completion of Second Term.

Table 2 : The details of the number of Directorships held and Committee Memberships / Chairmanships held in Indian Public Limited Companies, whether listed or not, including the Company, as on March 31, 2026 and details of Directorships held in other Listed Companies :

Name of the Director	In Indian Public Limited Companies, whether listed or not, including Kalyani Steels Limited			Directorships held in other Listed Companies	
	Directorships	*Committee Memberships	*Committee Chairmanships	Name of the Company	Type of Directorship
Mr.B.N. Kalyani Chairman	4	3	1	Bharat Forge Limited Automotive Axles Limited	Executive Non-Executive
Mrs.Sunita B. Kalyani	1	1	—	—	—
Mr.Amit B. Kalyani	6	2	—	Bharat Forge Limited Hikal Limited BF Utilities Limited Kalyani Investment Company Limited BF Investment Limited	Executive Non-Executive Non-Executive Non-Executive Non-Executive
Mr.M.U. Takale	4	3	1	BF Investment Limited BF Utilities Limited	Non-Executive Non-Executive
Mr.S.K. Adivarekar	5	5	2	BF Utilities Limited Hikal Limited Kalyani Investment Company Limited	Independent Independent Independent
Mrs.Shruti A. Shah	6	7	2	Balkrishna Industries Limited Kalyani Investment Company Limited Ajmera Realty & Infra India Limited Orient Cement Limited ACC Limited	Independent Independent Independent Independent Independent
Amb.Ahmad Javed	4	3	—	Wockhardt Limited Zodiac Clothing Company Limited	Independent Independent
Mr.S.G. Joglekar	4	7	3	BF Investment Limited Kalyani Investment Company Limited	Independent Independent
Mr.Kartik Bharat Ram	5	2	—	SRF Limited KAMA Holdings Limited	Executive Non-Executive
Mr.Raju S. Tolani	1	—	—	—	—
Mr.R.K. Goyal Managing Director	3	3	1	Kalyani Investment Company Limited	Non-Executive

* Memberships / Chairmanships of Audit Committee and Stakeholders Relationship Committee.

Certificate from M/s. SVD & Associates, Practicing Company Secretaries, Pune confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies, by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs or any such Statutory Authority, is enclosed as Annexure "A".

INDEPENDENT DIRECTORS

All Independent Directors fulfill the criteria prescribed under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013 ("the Act") and are independent of the management. They come from diverse fields of expertise, have long standing experience and expert knowledge in their respective fields and are of considerable value for the Company's business and provide appropriate blend of functional and industrial competence.

At the time of appointment and thereafter at the beginning of each financial year, every independent director submits a declaration confirming their independence in compliance with the Listing Regulations and the Act. The declarations of independence received from the independent directors are noted and taken on record by the Board.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors on the Board of the Company fulfill the conditions of independence specified under

Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and are independent of the Company's management. The terms of appointment of the Independent Directors are disclosed on the website of the Company viz. www.kalyanisteels.com/profile/policies.

During the year 2025-26, 1 (One) meeting of Independent Directors was held on March 26, 2026 without the presence of any Non-Independent Directors and Senior Management of the Company. The Independent Directors inter alia reviewed the performance of Non-Independent Directors and board as a whole and expressed satisfaction on the quality, quantity and timeliness of flow of information between the Company's management and the Board and have confirmed that these significantly helped the Board to effectively and reasonably perform its duties.

BOARD PROCEDURE

The meetings of the Board of Directors / its Committees are scheduled well in advance before the beginning of the year and an annual calendar of these meetings is circulated amongst the Directors and Committee members, to facilitate them to plan their schedule and to ensure effective participation in the meetings.

The Board Meetings during the Financial Year 2025-26 were conducted through physical mode as well as Video Conferencing and the same were in compliance with the requirements of the Act. All Board members were invited and encouraged to attend Audit Committee Meetings, even if, they were not members. In case of special and urgent business matters, approval of the Board / Committees was taken by passing a resolution by circulation, as permitted by Act, which was noted in the next Board / Committee meeting.

The effectiveness of the Board Meeting is ensured through detailed and structured agenda, circulation of Board Papers in advance as per the statutory timelines, detailed presentations at every Meeting on important matters and key elements of business and tracking of Action Taken Reports at every Meeting.

The Board has unrestricted access to all Company related information including members of the management.

The Company Secretary ensures that the Board and the Committees of the Board are provided with the relevant information, details and documents required in advance for decision-making. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The Company adheres to the provisions of the Act and the Rules made thereunder, Secretarial Standards and the Listing Regulations with respect to convening and holding the meetings, preparation of the agenda, explanatory notes and minutes of the meeting of the Board, its Committees and the General Meetings of the shareholders of the Company.

Information Supplied to the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted as a part of the agenda papers in advance of the respective meetings or by way of presentation and discussions during the meeting. In special and exceptional circumstances, additional items on the agenda are permitted by the Chairman of the meeting with the consent of all the independent Directors present. The Board periodically reviews compliance reports of laws applicable to the Company.

CEO / MD AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company provide Annual Certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and the Chief Financial Officer also provide quarterly certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website viz. www.kalyanisteels.com/profile/policies/.

The Board members and the senior management have affirmed the compliance with the Code. A declaration to that effect signed by the Managing Director of the Company is contained in this Annual Report.

COMMITTEES OF THE BOARD

The Committees of the Board have been constituted to deal with specific areas / activities as mandated by applicable rules and regulations or as delegated by the Board, which need a closer review. The terms of reference of the Committees decided by the Board define its scope, powers and responsibilities, in line with the applicable provisions of the Listing Regulations, the Act and the Rules framed thereunder.

In compliance with the Listing Regulations, the Act and the Rules framed thereunder, the Board has constituted five mandatory and two non-mandatory Committees. The Company's guidelines relating to Board Meetings are applicable to the Committee Meetings, as far as may be practicable. The Company Secretary acts as the Secretary of all Committees. The Chairman of the respective Committee informs the Board about the discussions held in the Committee meetings and the recommendations of the Committees are submitted to the Board for approval.

As on March 31, 2026, the Company has an Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance Committee and Share Transfer Committee.

The minutes of the meetings of all Committees are placed before the Board for their consideration and noting. During the year, all recommendations of the Committees were approved by the Board.

AUDIT COMMITTEE

The Board has constituted a qualified Audit Committee in accordance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act. The Committee consists of four Directors out of which three are independent. All members of the Committee are financially literate and have accounting or related financial management expertise. The scope, functions and overall responsibility of the Audit Committee is to supervise the Company's internal controls and financial reporting process.

The representatives of the Statutory Auditors, Internal Auditors and remaining Board Members are permanent invitees to the Audit Committee Meetings.

The Annual General Meeting of the Company held on August 22, 2025, was attended by Mr.S.K. Adivarekar, Chairman of the Audit Committee, to answer the shareholders' queries.

During the year 2025-26, the Audit Committee met four times on May 5, 2025, July 31, 2025, November 4, 2025 and February 3, 2026 and there were no instances where the Board had not accepted any of the recommendations of the Audit Committee.

Composition of Audit Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.K. Adivarekar, Chairman	Independent	4	4
Mr.B.N. Kalyani	Promoter Non-Executive	4	4
Mr.S.G. Joglekar	Independent	4	4
Mrs.Shruti A. Shah	Independent	4	4

Role / Terms of reference of the Audit Committee

- 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.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to :
  - 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.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion(s) in the draft audit report, if any.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 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 the 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 institutions placement and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.

- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 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.
- Discussions with internal auditors on any significant findings and follow up thereon.
- 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.
- Discussions with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any.
- 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.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by the Audit Committee

- Management discussion and analysis of financial condition and results of operations.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the chief internal auditors.

Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted a Stakeholders Relationship Committee in accordance with the requirements of Regulation 20 of the Listing Regulations and Section 178 of the Act. The Committee consists of three Directors out of which one is independent.

The Stakeholders Relationship Committee monitors and reviews the investor service standards of the Company. The Committee meets on a quarterly basis and primarily oversees redressal of grievances of stakeholders and also reviews adherence to the service standards adopted by the Registrar and Transfer Agent of the Company along with the measures taken for effective exercise of voting rights by the shareholders.

During the year 2025-26, the Stakeholders Relationship Committee met four times on May 2, 2025, July 30, 2025, October 30, 2025 and February 2, 2026.

The Annual General Meeting of the Company held on August 22, 2025, was attended by Mr.S.G. Joglekar, Chairman of the Stakeholders Relationship Committee, to answer the shareholders queries.

Composition of Stakeholders Relationship Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.G. Joglekar, Chairman	Independent	4	3
Mrs.Sunita B. Kalyani	Non-Executive	4	4
Mr.R.K. Goyal, Managing Director	Executive	4	4

Role of the Stakeholders Relationship Committee

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

The Committee also oversees the performance of the Registrar and Transfer Agent (RTA) and recommends measures for overall improvement in the quality of investors service.

Compliance Officer

Mrs.Deepti R. Puranik, Company Secretary is the Compliance Officer.

Summary of Investors Complaints

The summary of Investors Complaints received and redressed during the year 2025-26 is mentioned below :

Number of Complaints outstanding as on April 1, 2025	Nil
Number of Complaints received during the year ended March 31, 2026	Nil
Number of Complaints resolved during the year ended March 31, 2026	Nil
Number of Complaints not resolved to the satisfaction of shareholders during the year ended March 31, 2026	Nil
Number of Complaints pending as on March 31, 2026	Nil

The status of complaints is also reported to the Board of Directors, as an agenda item.

Designated Exclusive E-Mail ID

The Company has also provided separate e-mail ID : investor@kalyanisteels.com exclusively for investor services.

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a Nomination and Remuneration Committee in accordance with the requirements of Regulation 19 of the Listing Regulations and Section 178 of the Act. The Committee consists of three Directors out of which two are independent.

The role of the Nomination and Remuneration Committee is to provide advice to the Board on selection of Directors and Senior Management based on criteria related to the specific requirement of expertise and independence. The Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service.

The Committee also evaluates the performance of Directors and Senior Management based on the expected performance criteria and recommends to the Board, the remuneration payable to Directors of the Company.

During the year 2025-26, the Nomination and Remuneration Committee met two times on May 2, 2025 and October 30, 2025.

Composition of Nomination and Remuneration Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.K. Adivarekar, Chairman	Independent	2	2
Mr.M.U. Takale	Non-Executive	2	2
Mr.S.G. Joglekar	Independent	2	1

Role of Nomination and Remuneration Committee :

- Formulation of the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.
- For every appointment of an independent director on the Board, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the necessary capabilities identified in such description.

- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- 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.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Performance Evaluation of Board / Committees / Directors

Pursuant to the provisions of the Listing Regulations and the Act, the Board carried out the Annual Performance Evaluation of the Board as a whole, individual Directors including Independent Directors, Chairman and various committees of the Board.

With a view to maintain high level of confidentiality, the exercise was carried out online using secured web-based application. Each Board member filled up the online evaluation template on the functioning and overall level of engagement of the Board and its Committees, on parameters such as composition, execution of specific duties, quality, quantity and timeliness of flow of information, deliberations at the meeting, independence of judgment, decision-making, availability and attendance, commitment, contribution and integrity etc.

Directors with materially pecuniary or business relationship with the Company

There have been no materially relevant pecuniary transactions or relationship between the Company and its Non-Executive and / or Independent Directors during the Financial Year 2025-26.

Skills / Expertise / Competencies for the Board of Directors

The Board of the Company is adequately structured to ensure a high degree of diversity in terms of age, education / qualifications, professional background, sector expertise and special skills. The Board of Directors has identified the following core skills / expertise / competencies as required in the context of the business / sector of the Company for its effective functioning and the same is mapped against each of the Directors:

Name of the Director	Industry Knowledge / experience	Technology and Innovations	Strategy and Planning	Sales and Marketing	Financial Skills	Legal and Regulatory knowledge	Corporate Governance and Risk Management
Mr.B.N. Kalyani, Chairman	√	√	√	√	√	√	√
Mrs.Sunita B. Kalyani	√		√		√		√
Mr.Amit B. Kalyani	√	√	√	√	√	√	√
Mr.M.U. Takale	√	√	√		√		
Mr.S.K. Adivarekar	√		√		√	√	√
Mrs.Shruti A. Shah	√		√		√	√	√
Amb.Ahmad Javed	√		√		√	√	√
Mr.S.G. Joglekar	√		√		√	√	√
Mr.Kartik Bharat Ram	√	√	√	√	√	√	√
Mr.Raju S. Tolani	√	√	√		√	√	√
Mr.R.K. Goyal, Managing Director	√	√	√	√	√	√	√

Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and of the Committees thereof as specified by the Board. The Non-Executive Directors also draw remuneration in the form of commission, up to an aggregate amount not exceeding 1% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time, based on the recommendation of the Nomination and Remuneration Committee.

Compensation to the Non-Executive (including independent) Directors is decided based on multiple criteria of seniority / experience, Board / Committee meetings attended, acquaintance with business, effective participation, communication inter se with Board members, compliance with code of Conduct etc. and performance of the Company.

Remuneration to Managing Director, Key Managerial Personnel and other Employees

The Remuneration to Managing Director shall take into account the Company's overall performance, Managing

Director's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high-performance culture.

The Managing Director is paid remuneration as per the terms approved by the Nomination and Remuneration Committee and the Board and confirmed by the Shareholders of the Company. The remuneration of the Managing Director comprises of Salary, Commission and Perquisites besides contributions to provident fund, gratuity and leave encashment facility. The Company does not have any stock option scheme. The tenure of the office of the Managing Director is 5 (Five) years. The Board has the discretion to decide notice period of the Managing Director. There is no separate provision for payment of severance fees.

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed pay and performance linked variable pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Company ensures that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate all employees to contribute to their potential and in turn run the Company successfully.

Table 3 : The details of the remuneration of Directors during the year 2025-26, their shareholding in the Company and relationship with other directors, if any :

(₹ in Million)

Name of the Director	Relationship with other directors	Sitting fees #	Salary and perquisites	Commission ##	Total	No. of Shares held
Mr.B.N. Kalyani	*	0.13	—	14.00	14.13	1,118
Mrs.Sunita B. Kalyani	**	0.06	—	1.50	1.56	54,650
Mr.Amit B. Kalyani	***	0.05	—	13.65	13.70	31,644
Mr.M.U. Takale	None	0.05	—	1.00	1.05	2,500
Mr.Sachin K. Mandlik$	None	0.02	—	0.50	0.52	—
Mr.S.K. Adivarekar	None	0.06	—	1.00	1.06	—
Mrs.Shruti A. Shah	None	0.05	—	1.00	1.05	—
Amb.Ahmad Javed	None	0.03	—	1.00	1.03	—
Mr.S.G. Joglekar	None	0.12	—	1.00	1.12	—
Mr. Kartik Bharat Ram	****	0.03	—	1.00	1.03	—
Mr. Raju S Tolani	None	0.03	—	1.00	1.03	—
Mr.R.K. Goyal	None	N.A.	101.04	60.50	161.54	—

Sitting fees include payment of fees for attending Board and Committee Meetings.
Commission proposed and payable after approval of accounts by members of the Company in the ensuing Annual General Meeting (AGM)
* Husband of Mrs.Sunita B. Kalyani and Father of Mr.Amit B. Kalyani
** Wife of Mr.B.N. Kalyani and Mother of Mr.Amit B. Kalyani
*** Son of Mr.B.N. Kalyani and Mrs.Sunita B. Kalyani
**** Brother of Mrs.Deeksha A. Kalyani, Part of the Promoter Group
$ Ceased to be Director due to expiry of Second Term with effect from November 9, 2025

None of the employees are related to any of the Directors of the Company.

Senior Management

Particulars of Senior Management including the changes therein since the close of previous financial year are as mentioned below :

Sr.No.	Name	Designation	Changes during the year, if any	Nature of Change
1	Mr.P.S. Ghosh	Director - Projects	No	—
2	Mr.S.V. Yewale	President	No	—
3	Mr.B.M. Maheshwari	Chief Financial Officer	No	—
4	Mrs.D.R. Puranik	Company Secretary	No	—
5	Mr.Vivek Sinha	Sr. Vice President – Marketing	No	—
6	Mr.P.K. Biswal	Sr. Vice President – Quality Assurance	No	—
7	Mr.Dushyant Dattatraya	Vice President – Purchase	No	—
8	Mr.Anand Shirsat	General Manager – HR & Legal	No	—

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The Committee consists of four Directors out of which one is independent.

The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programs of the Company. The scope of the CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programs and monitoring the CSR spending.

During the year 2025-26, the Corporate Social Responsibility Committee met two times on May 2, 2025 and October 30, 2025.

Composition of CSR Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.G. Joglekar, Chairman	Independent	2	1
Mrs.Sunita B. Kalyani	Non-Executive	2	2
Mr.M.U. Takale	Non-Executive	2	2
Mr.R.K. Goyal	Executive	2	2

Terms of Reference :

- Formulation and recommendation to the Board, CSR Policy, which shall indicate the activities to be undertaken by the Company, in the areas or subject, as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy, which shall include :
  - List of CSR Projects / programmes to be undertaken in the areas or subject specified in Schedule VII of the Act.
  - Manner of execution of such Projects / programmes.
  - Modalities of utilization of funds and implementation schedules of such Projects / programmes.
  - Monitoring and reporting mechanism for such Projects / programmes.
  - Details of need and impact assessment, if any, for the projects undertaken by the Company.
- Monitor CSR Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy along with an Annual Action Plan. The CSR Policy of the Company is available on the Company's website viz. www.kalyanisteels.com/profile/policies/

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company is constituted in terms of Regulation 21 of the Listing Regulations. The Committee consists of three Directors out of which two are independent.

The primary role of the Risk Management Committee is to oversee the overall risk management Framework / processes of the Company and ensure that the business risks are identified and addressed by the Management.

The Risk Management Policy of the Company, which is approved by the Risk Management Committee of the Board and the Board of Directors, provides the framework for identification of internal and external risks along with prioritization of risks based on the scanning of the external environment and continuous monitoring of internal risk factors. The said framework identifies, evaluates, manages, mitigates and reports risks arising from the Company's operations and exogenous factors.

During the year 2025-26, the Risk Management Committee met two times on July 30, 2025 and February 2, 2026.

Particulars relating to the attendance at the Risk Management Committee meetings held during the year 2025-26 are given below :

Composition of Risk Management Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.S.K. Adivarekar, Chairman	Independent	2	1
Mr.S.G. Joglekar	Independent	2	2
Mr.R.K. Goyal, Managing Director	Executive	2	2

Role of the Risk Management Committee :

- To formulate a detailed Risk Management Policy which shall include :
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risks as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, by considering the changing industry dynamics and evolving complexity.
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer, if any.
- To coordinate its activities with other committees, in instances where there is any overlap with the activities of such committees, as per the framework laid down by the Board of Directors.
- To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

FINANCE COMMITTEE

The main role of the Finance Committee is to assist the Board of Directors in fulfilling its responsibilities which are not limited to but also include monitoring and oversight of the Company's financial resources and also reviewing any additional matters as may be delegated to it by the Board of Directors.

During the year 2025-26, the Finance Committee met eight times on May 6, 2025, July 3, 2025, October 3, 2025, November 3, 2025, November 18, 2025, January 12, 2026, February 23, 2026 and March 12, 2026.

Composition of Finance Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive	8	6
Mr.Amit B. Kalyani	Non-Executive	8	4
Mr.R.K. Goyal	Executive	8	8

Terms of Reference :

- To avail credit facilities from banks / financial institutions, place deposits with banks up to the limits specified by the Board.
- To open and close Bank Accounts of the Company and to authorize employees for operation of bank accounts of the Company.
- Authorization to employees to execute / sign returns, submissions, documents etc. on behalf of the Company and to appear before various statutory authorities.
- Such other matters as may be delegated by the Board from time to time.

SHARE TRANSFER COMMITTEE

The Company has constituted the Share Transfer Committee, to approve share transmissions, transposition, correction / deletion of name and issue of duplicate certificates etc.

During the year 2025-26, the Share Transfer Committee met seventeen times on April 2, 2025, May 16, 2025, June 13, 2025, July 3, 2025, July 31, 2025, August 18, 2025, September 12, 2025, September 26, 2025, October 8, 2025, November 5, 2025, November 24, 2025, December 17, 2025, January 9, 2026, January 28, 2026, February 23, 2026, March 12, 2026 and March 30, 2026. The particulars relating to the attendance at the Share Transfer Committee meetings held during the year are given below :

Composition of Share Transfer Committee and the attendance of members for the year 2025-26

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.N. Kalyani, Chairman	Promoter Non-Executive	17	16
Mr.S.G. Joglekar	Independent	17	15
Mr.R.K. Goyal	Executive	17	16

INDEPENDENT DIRECTORS' MEETING

Schedule IV to the Act and the Listing Regulations mandate holding of at least one meeting of Independent Directors in every financial year, without the attendance of Non-Independent Directors and members of the management. During the financial year ended March 31, 2026, all the Independent Directors met on March 26, 2026 inter alia to discuss :

- Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors, that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. The Directors expressed their satisfaction with the evaluation process.

2. MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

This Annual Report has a detailed chapter on Management Discussion and Analysis.

DISCLOSURES

RELATED PARTY TRANSACTIONS

All transactions entered into by and between the Company and the related parties during the year were on arm's length basis and in ordinary course of business and have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website viz.www.kalyanisteels.com/profile/policies/

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosure set out in Note 38 to Financial Statements forming part of the Annual Report.

LOANS / ADVANCES TO FIRMS / COMPANIES IN WHICH DIRECTORS ARE INTERESTED

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

During the year 2025-26, no loans or advances have been advanced by the Company or its subsidiary, to the firms / companies in which Directors of the Company / subsidiary are interested.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy covering Vigil Mechanism pursuant to the requirements of Section 177(9) of the Act and Regulation 22 of the Listing Regulations.

The Vigil Mechanism / Whistle Blower Policy provides a secured framework for directors / employees to raise concern about any unethical behaviour, suspected or actual fraud, violation of the Company's code of conduct and / or laws applicable to the Company and instances of leakage of unpublished price sensitive information. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practices.

The mechanism provides for direct access to the Chairperson of the Audit Committee and appropriate protection to the genuine Whistle Blower, who avails of the mechanism. The Whistle Blower Policy / Vigil Mechanism has been disclosed on the website of the Company viz. www.kalyanisteels.com/profile/policies

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Listing Regulations, the Company has adopted the Dividend Distribution Policy which is available on the Company's website viz.www.kalyanisteels.com/profile/policies/

SUBSIDIARY COMPANY

As on March 31, 2026, the Company had one Subsidiary viz. DGM Realties Private Limited (DGM), which is not a material subsidiary of the Company. The Audit Committee reviews quarterly financial statements of the subsidiary and the investments, if any, made by the subsidiary. The minutes of the Board Meetings of the subsidiary are periodically placed before the Board of Directors of the Company.

The Company has a policy for determining material subsidiary, which is available on the Company's website viz. www.kalyanisteels.com/profile/policies/

INDEPENDENT DIRECTORS' TRAINING AND INDUCTION

The Company has a familiarization programme for its Independent Directors with the objective of enabling them to understand the Company, its strategies, operations, business functions and the regulatory environment applicable to it. These include orientation programs upon the induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Further, with a view to familiarize Director with the Company's operations, plant visit is scheduled and the Managing Director also has one-to-one discussion with the newly appointed Director. Apart from this, the Directors are regularly briefed and updated on the Company's policies and procedures, the industry and operating environment in which the Company operates. Regular Updates regarding the operations of the Company are also provided to them from time to time.

These initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equip him to effectively fulfill his role as a Director of the Company. The details of this familiarization programme are available on the website of the Company viz. www.kalyanisteels.com/profile/policies/

FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company has managed foreign exchange risk with appropriate hedging activities. The Company used Forward Exchange Contracts to hedge against its Foreign Currency exposures relating to firm commitments. There were no materially uncovered exchange risks in the context of the Company's Foreign Currency exposures.

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act"), the Company has formulated a Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace. All women employees (permanent, temporary, contractual and trainees), as well as any women visiting the Company's office premises are covered under the Policy. During the year under review, no complaint was filed pursuant to the said Act.

3. SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Mr.B.N. Kalyani and Mr.M.U. Takale, the Directors of the Company are retiring by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

Details of directors to be re-appointed, are given below :

- Mr.B.N. Kalyani is Chairman and Managing Director of Bharat Forge Limited. Mr.Kalyani, born on January 7, 1949, holds B.E.(Hons), Mechanical Engineering from BITS Pilani, India and M.S. from Massachusetts Institute of Technology, Boston, USA. Mr.Kalyani has a deep understanding of steel, forging, automotive and engineering industry and his experience and expertise have been invaluable in navigating the Company through several challenges and opportunities over the years.

  Mr.Kalyani is a Permanent Member of Prime Minister's Science Technology & Innovation Advisory Council, Government of India; Co-Chairman of India-Japan Business Leaders' Forum; Co-Chairman of India-Sweden Business Roundtable; Member of Indo French CEO's Forum; Member of India-Russia CEOs' Forum; Member of India-UK CEOs' Forum; Member of India-Israel CEOs' Forum and Founding President of Society of Indian Defence Manufacturers.

  Mr.Kalyani has been conferred with several prestigious awards and recognitions including Padma Bhushan - India; Order of the Rising Sun, Gold and Silver Star, Japan; Cross of the Order of Merit Germany; Commander First Class of the Royal Order of Polar Star, Sweden; and Knight in the Order of the Legion of Honour, France.

  Mr.Kalyani holds 1,118 Equity Shares of ₹ 5/- each of the Company as on March 31, 2026.

The details of Directorships and Committee Memberships held in other public limited companies are as follows :

Other Directorships Name of the Company		Committee Memberships Name of the Company & Committee	
1. 2. 3.	Bharat Forge Limited Automotive Axles Limited Meritor HVS (India) Limited	1.	Bharat Forge Limited Stakeholder Relationship Committee - Member Corporate Social Responsibility Committee - Chairman Risk Management Committee - Chairman
		2.	Automotive Axles Limited Stakeholder Relationship Committee – Chairman

- Mr.M.U. Takale, born on August 18, 1960, is a Mechanical Engineer having more than 40 years' experience in forging and automotive related industries. Mr.Takale, after having his initial graduation in Pune, completed his MS in Industrial and Systems Engineering from Columbia University, New York, U.S.A. and MBA from Western Carolina University, NC, U.S.A. He was in U.S.A. for six years and besides obtaining degree in Engineering and Management, has had considerable exposure to technological advancements in automotive field. He also has work experience in Automotive Industry in U.S.A.

  Mr.Takale holds 2,500 Equity Shares of ₹ 5/- each of the Company as on March 31, 2026.

  The details of Directorships and Committee Memberships held in other Indian Public Limited Companies are as follows :

Other Directorships Name of the Company		Committee Memberships Name of the Company & Committee	
1. 2. 3.	BF Investment Limited BF Utilities Limited Kalyani Strategic Management Services Limited	1.	BF Investment Limited Audit Committee - Member Stakeholder Relationship Committee - Chairman Corporate Social Responsibility Committee – Member Nomination and Remuneration Committee – Member Risk Management Committee – Member
		2.	BF Utilities Limited Stakeholder Relationship Committee – Member Corporate Social Responsibility Committee – Member Nomination and Remuneration Committee - Member

COMMUNICATION TO SHAREHOLDERS

Kalyani Steels puts all the vital information about the Company and its performance, including quarterly results, official announcements and communication to the investors and analysts on its website www.kalyanisteels.com regularly for the benefit of the public at large.

During the year, quarterly, half yearly and annual financial results are published in leading newspapers such as Business Standard (All Editions) and Loksatta (Pune).

1. Website

   The Company's website contains a separate dedicated section titled 'Investors', The basic information about the Company, as called for in terms of Regulation 46 of the Listing Regulations, is provided on the Company's website www.kalyanisteels.com and the same is updated from time-to-time.

   The Company's website www.kalyanisteels.com provides updated information to investors like financial results, annual reports, shareholding pattern, companies policies etc. and contact details for assisting investors and for handling investors grievances.

2. Filing with Stock Exchanges

   Financial Results / other information to Stock Exchanges is filed electronically on BSE Listing Centre for BSE and on NSE Electronic Application Processing System (NEAPS) for NSE.

3. Annual Report

   Annual Report containing, inter alia, Audited Financial Statements, Directors' Report, Independent Auditor's Report and other important information, is circulated to members and others entitled thereto. Based on the requests received from the members, physical copies of the Annual Report are also dispatched to members. The Management Discussion and Analysis (MDA) Report and Business Responsibility and Sustainability Report (BRSR) forms part of the Annual Report which is also displayed on the Company's website www.kalyanisteels.com

Letters / e-mails received from shareholders are acted upon and replied to promptly.

CREDIT RATING FROM CARE RATINGS LIMITED

Care Ratings Limited has assigned following rating to the Company's bank facilities :

Facilities	Rating
Long Term Bank Facilities	CARE AA Stable (Reaffirmed) (Double A; Outlook : Stable)
Short Term Bank Facilities	CARE A1+ (Reaffirmed) (A One Plus)
Commercial Paper	CARE A1+ (Reaffirmed) (A One Plus)

FEES PAID TO STATUTORY AUDITORS

The Company has paid the fees of ₹ 4.89 Million to M/s Kirtane and Pandit LLP, Chartered Accounts, Pune (Firm Registration No.105215W/W100057) during the year 2025-26.

DGM Realties Private Limited, non-material Subsidiary of the Company has paid the fees of ₹ 0.03 Million to M/s Sabne Wagle and Associates, Chartered Accounts, Pune (Firm Registration No.126963W) during the year 2025-26.

DETAILS OF NON-COMPLIANCE

As referred in the Secretarial Audit Report, as per Regulation 17(1)(b) read with Regulation 17(1E) of the Listing Regulations, the Board of Directors is required to consist of fifty percent of Independent Directors, where the Non-Executive Chairperson is Promoter or related to Promoter and Promoter Group. The Company was in search of the suitable person for the said position and has now complied with the said requirement, by appointing Additional Independent Director on May 8, 2026.

The Company has received a Settlement order from Securities and Exchange Board of India (SEBI) on February 23, 2026 in pursuance of the Settlement Application filed on June 3, 2024 with respect to non-obtaining of prior approval of audit committee for Related Party Transactions of earlier years, for which the Company and Compliance Officer had paid the prescribed Settlement amount on February 12, 2026 to SEBI.

Kalyani Steels has complied with all the requirements of regulatory authorities, except as mentioned above. No penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to the capital market during the period under report.

GENERAL BODY MEETINGS

Annual General Meeting(s) :

The date, time and venue for the last 3 (Three) Annual General Meetings are given below :

Date	Time	Venue	Special Resolutions Passed
August 22, 2025	11.00 a.m.	Held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. Re-Appointment of Mrs.Sunita B. Kalyani as Director of the Company. 2. Re-Appointment of Mr.R.K. Goyal as Managing Director.
August 22, 2024	11.00 a.m.	Held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. Re-Appointment of Mr.B.N. Kalyani as Director of the Company. 2. Re-Appointment of Mrs.Shruti A. Shah as an Independent Director of the Company.
August 18, 2023	11.00 a.m.	Held through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	—

POSTAL BALLOT

No resolution was put through postal ballot during the year 2025-26.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of special resolution conducted through postal ballot.

COMPLIANCE WITH MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of Listing Regulations. The Company has adopted the following non-mandatory requirements of Listing Regulations.

1) Unmodified Opinion(s) in Audit Report

   The Company's financial statements for the year 2025-26 do not contain any modified audit opinion.

2) Separate Posts of Chairperson and Managing Director

   The Chairman of the Board is Non-Executive Director and not related to the Managing Director of the Company.

3) Reporting of Internal Auditors

   The Internal Auditors of the Company report to the Audit Committee periodically to ensure independence of the Internal Audit function.

SHAREHOLDER INFORMATION

COMPANY REGISTRATION DETAILS

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L27104MH1973PLC016350.

ANNUAL GENERAL MEETING

Day, Date and Time : Thursday, August 27, 2026 at 11.00 a.m.

Mode of Meeting : Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

FINANCIAL CALENDAR

April 1, 2025 to March 31, 2026

RECORD DATE

The Company has fixed Friday, July 31, 2026 as Record Date for determining the names of members who will be entitled to received dividend, if declared at Fifty-Third Annual General Meeting.

DIVIDEND PAYMENT DATE

Dividend of ₹ 10/- per Equity Share of ₹ 5/- each (i.e. 200%) for FY 2025-26, recommended by the Board, if approved by the members, shall be paid on or before Friday, September 4, 2026.

EQUITY SHARES IN SUSPENSE ACCOUNT

In compliance with Regulation 39(4) of the Listing Regulations, the Company had transferred all the unclaimed Equity Shares into an Unclaimed Suspense Account. The details of shares lying in the said account are as follows :

Particulars	No. of Shareholders	No. of Equity Shares
Aggregate number of Shareholders and the outstanding shares in the Unclaimed Suspense Account as on April 1, 2025	257	19,614
Number of Shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year	16	457
Number of Shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	16	457
No. of shares transferred to Demat Account of IEPF during the year	Nil	Nil
Aggregate number of Shareholders and the outstanding shares in the Unclaimed Suspense Account as on March 31, 2026	241	19,157

The voting rights on the said shares shall remain frozen till the rightful owners of such shares claim the shares.

LISTING

The Equity Shares of the Company are listed on :

1) National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
2) BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001

All annual listing fees due during the year have been paid.

REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

M/s. MUFG Intime India Private Limited (Previously known as Link Intime India Private Limited), having Registered Office address at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 and Pune Branch Office at Block No.202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001 are the Registrar and Transfer Agents of the Company and carry out the share transfer work on behalf of the Company. The Equity Shares of the Company are traded on the Stock Exchanges compulsorily in demat mode.

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON MARCH 31, 2026

Category of the Shareholder	No. of Equity Shares held	Shareholding %
Promoters	28,244,202	64.70
Mutual Funds	4,824,554	11.05
Financial Institutions / Banks	267	—
Foreign Portfolio Investors	796,066	1.82
Bodies Corporate	516,228	1.18
NRIs	307,988	0.71
Indian Public	8,963,755	20.54
Total	43,653,060	100.00

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON MARCH 31, 2026

Category (Shares)	No. of Shareholders	No. of Equity Shares held	Shareholding %
Up to 5,000	45,745	6,647,721	15.23
5,001 to 10,000	96	701,763	1.61
10,001 to 20,000	54	809,712	1.85
20,001 to 30,000	10	268,308	0.62
30,001 to 40,000	6	201,757	0.46
40,001 to 50,000	5	209,791	0.48
50,001 to 100,000	7	516,577	1.18
100,001 and above	16	34,297,431	78.57
Total	45,939	43,653,060	100.00

DEMATERIALIZATION

The Company's Equity Shares are under compulsory Demat Trading. As on March 31, 2026, dematerialized shares accounted for 99.65% of the total Equity.

PLANT LOCATION

The integrated steel plant of the Company is located at Village Ginigera, Taluka and District Koppal, in the State of Karnataka.

INVESTORS CORRESPONDENCE ADDRESS

1) MUFG Intime India Private Limited
(Previously known as Link Intime India Private Limited)
Registrar & Transfer Agent
Block No.202, Akshay Complex, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Mandir,
Pune - 411 001
Phone No. : 020 - 26161629 / 26160084
E-mail : pune@in.mpms.mufg.com

2) Kalyani Steels Limited
Secretarial Department
Mundhwa, Pune - 411 036
Phone No. : 020-6621 5000
E-mail : investor@kalyanisteels.com

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, R.K. Goyal, Managing Director of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed for the year ended March 31, 2026, compliance with the Code of Conduct of the Company laid down for them.

Place : Pune
Date : May 8, 2026

R.K. Goyal
Managing Director

Annexure A
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Kalyani Steels Limited
Mundhwa, Pune – 411 036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kalyani Steels Limited bearing CIN : L27104MH1973PLC016350 (hereinafter referred to as the Company) and having registered office at Mundhwa, Pune – 411 036, 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 Clause 10(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary) and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Original Date of appointment
1.	Mr.Babasaheb Neelkanth Kalyani	00089380	15/02/1984
2.	Mr.Amit Babasaheb Kalyani	00089430	22/05/2004
3.	Mr.Madan Umakant Takale	01291287	27/06/2006
4.	Mr.Ravindra Kumar Goyal@	03050193	17/01/2011
5.	Mrs.Sunita Babasaheb Kalyani	00089496	30/03/2015
6.	Mr.Sachin Krishna Mandlik^	07980384	09/11/2017
7.	Mr.Shrikrishna Kiran Adivarekar	06928271	18/05/2018
8.	Mrs.Shruti Anup Shah	08337714	29/01/2020
9.	Amb.Javed Ahmad	08668304	26/06/2020
10.	Mr.Sanjeev Joglekar	00073826	05/02/2024
11.	Mr.Kartik Bharat Ram	00008557	28/10/2024
12.	Mr.Raju Shyam Tolani	00298083	28/10/2024

Note :

@Re-appointed as a Managing Director w.e.f. January 17, 2026 for a period of five years.

^Ceased as an Independent Director w.e.f. November 9, 2025 upon completion of second term.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. : 7364
C P No. : 7893
Peer Review No. : 6357/2025
UDIN : F007364H000295696

Place : Pune
Date : May 8, 2026

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To the Members,
Kalyani Steels Limited

We have examined the compliance of conditions of Corporate Governance by Kalyani Steels Limited bearing CIN : L27104MH1973PLC016350 (hereinafter referred the Company), for the financial year ended on March 31, 2026 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

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 the 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 complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable, except following :

As per Regulation 17(1)(b) read with 17(1E) of SEBI LODR, the Board of Directors is required to consist of fifty percent of Independent Directors where the Non-Executive Chairperson is Promoter or related to Promoter and Promoter Group. However, upon the completion of second term of an Independent Director on November 8, 2025, the composition of Board of Directors consisted of less than fifty percent of Independent Directors, as the vacancy caused was not filled in till the end of the Financial Year.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. : 7364
C P No. : 7893
Peer Review No. : 6357/2025
UDIN : F007364H000295652

Place : Pune
Date : May 8, 2026

DIRECTORS' REPORT

To,

The Members,

The Directors have pleasure in presenting the Fifty-Third Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

1. Financial Highlights (on standalone basis)

(₹ in Million)

		2025-26	2024-25
Total Income	:	19,020.47	20,335.75
Total Expenditure	:	14,842.90	16,089.03
Finance Cost	:	86.38	185.66
Depreciation & amortization expenses	:	570.39	633.88
Profit before Exceptional Item and Tax	:	3,520.80	3,427.18
Exceptional Item	:	(79.26)	—
Profit before Tax	:	3,441.54	3,427.18
Tax Expenses :			
- Current Tax	:	881.50	851.50
- Deferred Tax	:	6.86	39.24
- Taxation in respect of earlier years	:	1.81	6.10
Profit after Tax	:	2,551.37	2,530.34

2. Dividend

Based on the Company's performance, the Directors are pleased to recommend a dividend of ₹ 10/- per Equity Share of ₹ 5/- each (i.e. 200%), for the financial year ended March 31, 2026, for approval of the members.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("the Listing Regulations"), the Company had adopted the Dividend Distribution Policy, which is available on the website of the Company at www.kalyanisteels.com/profile/policies The dividend pay-out has been determined in accordance with Dividend Distribution Policy of the Company.

The dividend on Equity Shares, if approved by the members would involve cash outflow of ₹ 436.53 Million and shall be subject to deduction of income tax at source.

3. Reserves

During the year under review, the Company does not propose to transfer any amount to the General Reserve. An amount of ₹ 20,358 Million is proposed to be retained as Retained Earnings.

4. Performance of the Company

In FY 2025-26, steel industry continued to experience adverse global macroeconomic & geopolitical conditions. These headwinds, combined with fluctuations in China's crude steel output & lower domestic consumption, contributed to oversupply in global market by Chinese steel producers affecting prices of raw materials & finished steel. Headline inflation declined across most major economies, but the pace and drivers of this decline varied significantly, reflecting differences in energy exposure, domestic demand conditions, monetary policy responses and structural factors. Global credit rates remained relatively high as central banks largely maintained a 'higher-for-longer' stance to ensure inflation was fully under control. This kept financial conditions tight, slowed credit growth, weakened investment and consumption. Toward the later part of CY 2025, rate cuts began to emerge, but transition to lower borrowing costs has been gradual.

China's steel production declined by around 4.4% (falling below ~1 billion tonnes), mainly due to the ongoing real estate sector slowdown. This reduced actual consumption of iron ore and created downward pressure on prices. Iron ore prices were seen relatively stable ranging between USD 100/MT to USD 107/MT. Similarly, coking coal prices continued a downward trend primarily due to weaker steel demand in China. In April 2024, price of Prime Hard Coking coal was USD 256/MT and it decreased to USD 195/MT in March 2025 which further increased to USD 248/MT in March 2026.

The automotive sector is a one of the major contributors to the Company's business portfolio. In FY 2026, Passenger Vehicles (PV) sales reached its all-time high at 5.5 Million vehicles as against 5.0 Million vehicles sales in FY 2025 registering a growth of ~9%. Notably, export share within the PV sales stood at 16%. Commercial vehicles (CV) sales surpassed pre-covid level at 1.2 Million vehicles registering a strong growth of 13% over FY 2025. Two wheelers' (2W) sales registered growth of 13% in FY 2026 at 26.8 Million vehicles surpassing pre-pandemic sales of 24.4 Million. Three wheelers' (3W) sales reached 1.3 Million as against a 1.0 Million in FY 2025 registering a strong growth of 24%. This year all types of vehicles have crossed pre-pandemic levels.

Despite operating in a highly volatile and complex global environment, the Company delivered a strong performance during FY 2026. The Company achieved Total Income of ₹ 19,020 Million as against ₹ 20,336 Million in FY 2025 and highest ever Profit before tax of ₹ 3,442 Million as against ₹ 3,427 Million in FY 2025.

5. State of Company's Affairs

Discussion on the state of Company's affairs has been covered as part of the Management Discussion and Analysis (MD&A). MD&A for the year under review, as stipulated under Regulation 34 of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

6. Corporate Governance

The Company believes that robust Corporate Governance is crucial for achieving long term corporate objectives and enhancing stakeholders value. The Company recognizes that good governance is a continuous exercise and reiterates its commitment to pursue the highest standards of Corporate Governance.

The Report on Corporate Governance as stipulated under the Listing Regulations is presented in a separate section forming part of the Annual Report.

The certificate from Secretarial Auditors of the Company viz. M/s. SVD & Associates, Practicing Company Secretaries, Pune regarding compliance of the conditions of Corporate Governance is attached to Report on Corporate Governance.

7. Deposits

During the year under review, the Company has not accepted any deposit under Chapter V of the Companies Act, 2013 ("the Act").

8. Directors

Mr.Sachin K. Mandlik, Independent Director of the Company, completed his Second Term of 3 (Three) years on November 8, 2025 and accordingly ceased to be the Director of the Company with effect from November 9, 2025. The Board places on record its sincere appreciation of the contributions made by Mr.Mandlik during his tenure as a Director of the Company.

The Board of Directors at their meeting held on May 8, 2026, based on the recommendation of the Nomination and Remuneration Committee, had co-opted Mr.Shishir Joshipura, as an Additional Independent Director, for the term of 4 (Four) consecutive years with effect from May 8, 2026 to May 7, 2030, subject to approval of the members, by way of Postal Ballot.

In terms of the provisions of the Act and the Articles of Association of the Company, Mr.B.N. Kalyani and Mr.M.U. Takale, Directors of the Company, are retiring by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

These re-appointments forms part of the Notice of the Fifty-Third Annual General Meeting and the Resolutions are recommended for your approval. Profile of these Directors are given in the Report on Corporate Governance for reference of the members.

The Company has received declarations from all Independent Directors that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

9. Board Evaluation

The annual evaluation process of the Board of Directors, individual Directors and the Board Committees was conducted pursuant to the provisions of the Act and the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

10. Nomination & Remuneration Policy

The Nomination & Remuneration Policy adopted by the Board on the recommendation of Nomination & Remuneration Committee, provides the criteria for assessment and appointment / re-appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) on the basis of their qualifications, experience, independence, professional and functional expertise etc. The Policy also sets out the guiding principles for the compensation to be paid to the Directors, KMP and SMP and undertakes effective implementation of Board familiarization, diversity and evaluation.

The Policy is available on the website of the Company at http://www.kalyanisteels.com/profile/policies/

11. Meetings of the Board

During the Financial Year 2025-26, four Board Meetings were convened and held. Also a separate meeting of Independent Directors as prescribed under Schedule IV of the Act was held. The details of meetings of Board of Directors / Independent Directors are available in the Report on Corporate Governance which forms part of this Annual Report.

12. Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

i) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed and that there are no material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for that period;

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

iv) the Directors have prepared the annual accounts for the year ended March 31, 2026, on a going concern basis;

v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

13. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed herewith as Annexure "A".

14. Corporate Social Responsibility

The CSR objectives of the Company are designed to serve societal, local and national goals in the locations it operates and to create a significant and sustained impact on local communities. The Company has been carrying out various Corporate Social Responsibility (CSR) activities in the areas of education. These activities are carried out in terms of Section 135 read with Schedule VII of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Annual Report on CSR Activities undertaken by the Company is enclosed herewith as Annexure "B". The CSR Policy is available on the Company's website viz. www.kalyanisteels.com/profile/policies/ The details relating to the composition of the CSR Committee are provided in the Corporate Governance Report, forming part of the Annual Report.

15. Particulars of Contracts / arrangements with Related Parties

All contracts / arrangements entered into by and between the Company and Related Parties were on arm's length basis and in the ordinary course of business and in accordance with the related party framework formulated and adopted by the Company.

All Related Party transactions were placed before the Audit Committee for its review and prior approval. On a quarterly basis, details of such transactions were placed before the Audit Committee for noting / review.

The Policy on Related Party Transactions as amended in line with the requirements of the Listing Regulations has been posted on Company's website at www.kalyanisteels.com/profile/policies/

Pursuant to Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of transactions with related parties, are provided in Form AOC-2, which is enclosed herewith as Annexure "C". Details of related party transactions entered into by the Company, in terms of Ind AS 24 have been disclosed in Note No. 38 to the Standalone Financial Statements.

16. Risk Management

Risk management, which aims at managing the impact of uncertainties, is an Integral part of the Company's strategy setting and decision making process. The Company regularly identifies uncertainties and after assessing them, devises short-term and long-term plans to mitigate any risks which could materially impact on the Company's goals. This process of identifying and assessing the risks is a two-way process with inputs being taken from employees across the organization.

The Risk Management Committee of the Company is entrusted by the Board to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The policy on Risk Management as approved by the Board is available on the Company's website at http://www.kalyanisteels.com/profile/policies/

17. Audit Committee

The Company has constituted an Audit Committee in compliance with Section 177 of the Act and Regulation 18 of the Listing Regulations. The Composition of the Audit Committee in terms of Section 177(8) of the Act along with its terms of reference incorporating its functions are disclosed and available in the Corporate Governance Report forming part of the Annual Report.

All the recommendations made by the Audit Committee were deliberated and accepted by the Board during the Financial Year 2025-26.

18. Auditors and Auditor's Report

Pursuant to Section 139 of the Act read with rules made thereunder, M/s. Kirtane & Pandit LLP, Chartered Accountants, Pune (Firm Registration No.105215W / W100057) were appointed as the Auditors of the Company for a period of 5 (Five) years to hold office from the conclusion of the Forty-Ninth Annual General Meeting held on August 1, 2022 till the conclusion of the Fifty-Fourth Annual General Meeting to be held in the year 2027.

The Auditors have confirmed that they are not disqualified to continue as Auditors and are eligible to hold office as Auditors of your Company for FY 2026-27.

The Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks or disclaimers.

The Notes on Financial Statements referred to in the Auditor's Report are self-explanatory and hence do not call for any further comments.

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act to the Audit Committee.

19. Cost Auditors

The Company is required to maintain cost records under Companies (Cost Records and Audit) Rules, 2014. Accordingly, cost records have been maintained by the Company.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s S.R. Bhargave & Co., Cost Accountants, Pune for conducting the cost audit of the Company for Financial Year 2026-27.

As required under the Act, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, resolution seeking members ratification for remuneration to be paid to Cost Auditors is included at Item No.7 of the Notice convening Annual General Meeting.

20. Secretarial Audit and Secretarial Standards

Pursuant to provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations, M/s. SVD & Associates, Firm of Company Secretaries in Practice, Pune (Firm Unique Code P2013MH031900 and Peer Review No.6357/2025), were appointed as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years, to hold office from the conclusion of Fifty-Second Annual General Meeting held on August 22, 2025 till the conclusion of Fifty-Seventh Annual General Meeting of the Company to be held in the Year 2030.

The Secretarial Auditors have confirmed that they are not disqualified to continue as Auditors and are eligible to hold office as Auditors of your Company for FY 2026-27.

The Secretarial Audit Report for the Financial Year ended March 31, 2026, is annexed herewith as Annexure "D". As referred in the Secretarial Audit Report, as per Regulation 17(1)(b) read with Regulation 17(1E) of the Listing Regulations, the Board of Directors is required to consist of fifty percent of Independent Directors, where the Non-Executive Chairperson is Promoter or related to Promoter and Promoter Group. The Company was in search of the suitable person for the said position and has now complied with the said requirement, by appointing Additional Independent Director on May 8, 2026.

The Company has received a Settlement order from Securities and Exchange Board of India (SEBI) on February 23, 2026 in pursuance of the Settlement Application filed on June 3, 2024 with respect to non-obtaining of prior approval of audit committee for Related Party Transactions of earlier years, for which the Company and Compliance Officer had paid the prescribed Settlement amount on February 12, 2026 to SEBI.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer, except as mentioned above.

The Company is compliant with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government under Section 118(10) of the Companies Act, 2013.

21. Information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A statement showing details of the employees in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in a separate annexure forming part of the Directors' Report. In terms of Section 136 of the Act, the Report and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at investor@kalyanisteels.com

The information required pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has been provided in Annexure "E".

22. Annual Return

In accordance with Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company as on March 31, 2025, filed with Registrar of Companies, is available on the Website of the Company at www.kalyanisteels.com The Company shall upload the Annual Return as on March 31, 2026 on the website of the Company, once it is filed with the Registrar of Companies.

23. Whistle Blower Policy

Pursuant to Section 177(9) of the Act, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 22 of the Listing Regulations and in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated Policy on Vigil Mechanism / Whistle Blower.

The Policy provides mechanism for Directors and Employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or the instances of leakage of unpublished price sensitive information. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns raised and also that, no discrimination will be meted out to any person for a genuinely raised concern.

The Whistle Blower Policy is available on the Company's website at the Web-link www.kalyanisteels.com/profile/policies/

During the year under review, the Company has not received any complaint under the said mechanism.

24. Particulars of Loans, Guarantees and Investments

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Act, forms part of the notes to the Financial Statements provided in this Annual Report.

25. Internal Financial Controls

The Company has in place proper and adequate internal financial controls, commensurate with the size, scale and complexity of its operations. These controls play a key role in protecting assets, identifying and preventing fraud or mistakes and ensuring the accuracy and completeness of financial records. They also support the timely preparation of clear, comprehensive and accurate financial statements, in line with established accounting standards. An extensive program of internal audits and management reviews supplement the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls.

The Company has put in place a compliance management tool / framework, which lists all the applicable laws and compliances and also monitors the compliance status. The Company believes that a good framework is essential to track statutory compliances for the successful conduct of business operations and high standards of corporate governance.

26. Material Changes and Commitments, if any, affecting Financial Position of the Company

There are no adverse material changes or commitments that occurred after March 31, 2026, which may affect the financial position of the Company or may require disclosure.

27. Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

28. Familiarization Programme

Detailed presentations are made to the entire Board including independent Directors from time to time on various matters such as the Company's operations and business plans, strategic plans, plant operations, regulatory updates etc. The Functional heads are invited from time to time to present before the Board, key matters pertaining to their area of expertise.

Apart from the above, the Directors are regularly briefed and updated on the Company's policies and procedures, business model, the industry and operating environment that the Company operates in. For newly appointed directors detailed induction program involving the briefing on the Company's philosophy on Governance, Ethics and Compliance coupled with the Company's policies and interactions with the leadership team is in place.

Additionally, plant visits are organized for the new as well as existing Directors to enable them to understand the business better.

The details of programmes for familiarization of Independent Directors with the Company are put up on Website of the Company. (Web-link : http://www.kalyanisteels.com/profile/policies/)

29. Subsidiaries, Joint Ventures or Associate Companies

As on March 31, 2026, the Company has one Subsidiary, one Associate Company and one Joint Venture Company. A statement containing the salient features of the financial statement of the subsidiary, associate and joint venture in the prescribed format AOC - 1 is annexed hereto as Annexure "F".

In accordance with Section 129(3) of the Act, the Company has prepared the Consolidated Financial Statements, which forms part of this Annual Report.

The Policy for determining 'Material' subsidiaries has been displayed on the Company's website viz. www.kalyanisteels.com/profile/policies/

30. Business Responsibility and Sustainability Report

In accordance with the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) forms a part of this Annual Report describing the initiatives taken by the Company on Environment, Social and Governance (ESG) parameters during the year 2025-26, as annexed hereto as Annexure "G".

31. Transfer to Investor Education and Protection Fund (IEPF)

Pursuant to provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) as amended from time to time, the declared dividends, which are unpaid / unclaimed for a period of 7 (Seven) years and the shares in relation to such unpaid / unclaimed dividends shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Accordingly during the year, an amount of ₹ 1,319,110/- in respect of dividend declared on August 21, 2018 for Financial Year 2017-18 was transferred to IEPF along with 19,637 Equity Shares.

The Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF, can be claimed back from IEPF authorities, after following the procedure prescribed in IEPF Rules. No claim shall lie in respect thereof with the Company.

32. Obligation of Company under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy for prevention, prohibition and redressal of sexual harassment at workplace, in terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the rules framed thereunder. All women employees (permanent, temporary, contractual and trainees), as well as any women visiting the Company's office premises are covered under the Policy.

The Company has in place effective mechanism viz. the Internal Complaints Committee (ICC) where employees can voice their concerns and report any incidents of harassment without any hesitation. The Company has ensured wide dissemination of the Policy and has conducted various awareness programmes at all locations of its offices and at its plant. During the year under review, no complaints were received by the ICC.

33. Acknowledgement

The Directors wish to convey their deep appreciation for the support and co-operation received from the Central Government, the Government of Maharashtra, the Government of Karnataka, Karnataka Industrial Area Development Board, various State Governments in India, Financial Institutions and the Bankers.

The Directors appreciate and value the contribution made by all employees at all levels, resulting in the successful performance of the Company during the year.

The Directors also take this opportunity to express their deep gratitude for the continued co-operation and support received from its valued shareholders.

The Directors express their special thanks to Mr.B.N. Kalyani, Chairman of the Company, for his persistent actions for the progress of the Company.

For and on behalf of the Board of Directors

Place : Pune
Date : May 8, 2026

B.N. Kalyani
Chairman

ANNEXURE - A TO DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY :

I. **The steps taken or impact on conservation of energy :**

- Sinter Plant 2 : Installed a Variable Frequency Drive (VFD) on the Sinter Main Drive (SMD), delivering an annual energy saving of approximately 40 MWh.
- Sinter Plant 1 & 2 : Deployed inline oxygen analyzers to optimize the air-fuel ratio and significantly improve combustion efficiency.
- Blooming Mill (RT 1) : Upgraded the conventional Reversing Direct-On-Line (RDOL) starter for RT 1 Roller Table group to an energy-efficient VFD system, saving ~3 MWh annually.
- Blooming Mill (RT 3, 4 & 5) : Replaced legacy RDOL starters across RT 3, 4 and 5 Roller Table groups with VFDs, yielding an annual energy saving of ~14 MWh.

II. **The steps taken by the Company for utilizing alternate sources of energy :**

- 29% of the total power consumed was procured from renewable energy sources.
- Additionally, the Company generated and consumed 94 Million KWh power from Waste Heat Recovery (WHR) based power plant from flue gases of Coke Oven Plant.
- The Company has entered into a long-term Power Purchase Agreement (PPA) via Group Captive structure for the procurement of renewable energy, consisting of 13.5 MW DC Solar capacity and 5 MW Wind Power capacity.

III. **The capital investment on energy conservation equipment :** N.A.

B. TECHNOLOGY ABSORPTION :

I. **The efforts made towards technology absorption :**

- SF6 is one of the highest Global Warming Potential (GWP) greenhouse gas and widely used in the Circuit breakers. To reduce the effect we have replaced 4 Nos of SF6 breakers with Vacuum Circuit Breakers (VCB) in Financial Year 2025-26.
- To improve the product quality 600A current Electro Magnetic stirrer has been introduced I Bloom Caster.

II. **The benefits derived like product improvement, cost reduction, product development or import substitution :**

- GSA Industries India Private Limited has recognized the Company with Supplier Excellence Award for its commitment to Excellence, Reliability and Quality.
- Maruti Suzuki India Limited declared Hospet Steels Limited unit as green zone supplier which opens multiple opportunities for new projects.

Major new certification approvals / recognition in the Financial Year 2025 - 26 : Nil

III. **In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) :** Nil

IV. **The expenditure incurred on Research and Development :** Nil

C. FOREIGN EXCHANGE EARNING AND OUTGO :

I. The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows :

a) Total foreign exchange used and earned : (₹ in Million)
Used : ₹ 3,528.68 Million   Earned : ₹ 108.22 Million

For and on behalf of the Board of Directors

Place : Pune
Date : May 8, 2026

B.N. Kalyani
Chairman

ANNEXURE - B TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with
the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline on CSR Policy of the Company :

   Corporate Social Responsibility (CSR) Policy of the Company emphasizes initiatives in specific areas of social development that would include primary, secondary education, skills development, vocational training, health and hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc. The CSR Policy is available on the website of the Company at http://www.kalyanisteels.com/profile/policies/.

2. The composition of the CSR Committee :

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr.S.G. Joglekar, Chairman	Independent	2	1
2	Mrs.Sunita B. Kalyani	Non-Executive	2	2
3	Mr.M.U. Takale	Non-Executive	2	2
4	Mr.R.K. Goyal, Managing Director	Executive	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company :

   Web-link : https://www.kalyanisteels.com/about-us
   https://www.kalyanisteels.com/profile/policies/

4. Provide the executive summary along with the web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable :

   Not Applicable

5. a) Average net profit of the company as per sub-section (5) of Section 135 : ₹ 3,018.43 Million

   b) Two percent of Average Net Profit of the Company as per sub-section (5) of Section 135 : ₹ 60.37 Million

   c) Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years : Not Applicable

   d) Amount required to be set off for the financial year, if any : ₹ 0.53 Million

   e) Total CSR obligation for the financial year (5b+5c-5d) : ₹ 59.84 Million

6. a) Amount spent on CSR Projects (including amount available for set off from FY 2024-25) (both Ongoing Project and other than Ongoing Project) : ₹ 61.16 Million

   b) Amount spent in Administrative Overheads : Not Applicable

   c) Amount spent on Impact Assessment, if applicable : Not Applicable

   d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 61.16 Million

   e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year (₹ in Million)	Amount Unspent (₹ in Million)				
	Total Amount transferred to Unspent CSR Account as per sub-section 6 of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
61.16*	—	—	—	—	—

* Including amount available for set off from FY 2024-25

f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Million)
i)	Two percent of average net profit of the Company as per sub-section 5 of Section 135	60.37
ii)	Total amount spent for the Financial Year (including amount available for set off from FY 2024-25)	61.16
iii)	Excess amount spent for the financial year [(ii)-(i)]	0.79
iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	—
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.79

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section 6 of Section 135 (₹ in Million)	Balance amount in unspent CSR Account under sub-section 6 of Section 135 (₹ in Million)	Amount spent in the reporting Financial Year (₹ in Million)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of Section 135, if any		Amount remaining to be spent in succeeding financial years (₹ in Million)	Deficiency, if any
					Amount (₹ in Million)	Date of Transfer		
1	FY 2024-25	—	—	—	—	—	—	—
2	FY 2023-24	—	—	—	—	—	—	—
3	FY 2022-23	—	—	—	—	—	—	—

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

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

The Responsibility Statement of the CSR Committee of the Board of Directors :
The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and Policy of the Company.

Place : Pune
Date : May 8, 2026

R.K. Goyal
Managing Director

S.G. Joglekar
Chairman, CSR Committee

ANNEXURE - C TO DIRECTORS' REPORT

FORM AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 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 transactions under third proviso thereto :

1. Details of contracts / arrangements or transactions not at arm's length basis :

   There are no contracts or arrangements or transactions entered into by the Company during the year ended March 31, 2026, which are not at arm's length basis.

2. Details of material contracts / arrangements or transactions at arm's length basis :

a)	Name(s) of the related party and nature of relationship	:	Bharat Forge Limited, Company under Common Control	Kalyani Technoforge Limited, Company under Common Control
b)	Nature of contracts / arrangements / transactions	:	Sale / supply of goods or materials - Steel, Purchase of scrap, mill scale	Sale / supply of goods or materials - Steel
c)	Duration of contracts / arrangements / transactions	:	On on-going basis	On on-going basis
d)	Salient terms of the contracts / arrangements / transactions including the value, if any	:	In tune with market parameters. Transaction Value not exceeding ₹ 18,000 Million for the Financial Year 2025-26	In tune with market parameters. Transaction Value not exceeding ₹ 7,000 Million for the Financial Year 2025-26
e)	Date(s) of approval by the Board	:	April 28, 2023	April 28, 2023
f)	Amount paid as advance, if any	:	Trade Advance of ₹ 470 Million received from Bharat Forge Limited	N.A.

For and on behalf of the Board of Directors

Place : Pune	**Mrs.D.R. Puranik**	**B.M. Maheshwari**	**R.K. Goyal**	**B.N. Kalyani**
Date : May 8, 2026	**Company Secretary**	**Chief Financial Officer**	**Managing Director**	**Chairman**

ANNEXURE - D TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

and

Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Kalyani Steels Limited
Mundhwa,
Pune - 411 036

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kalyani Steels Limited bearing CIN : L27104MH1973PLC016350 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

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

i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

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 Takeovers) Regulations, 2011;

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

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the audit Period);

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable to the Company during the audit Period);

   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable to the Company during the audit Period);

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

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the Company during the audit Period);

   h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (not applicable to the Company during the audit Period) and

   i) Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018.

vi) We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

We have also examined compliance with the applicable clauses and regulations of the following :

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) The Listing Agreement entered into by the Company with Stock Exchanges pursuant to The Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto ('SEBI LODR').

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

1. As per Regulation 17(1)(b) read with 17(1E) of SEBI LODR, the Board of Directors is required to consist of fifty percent of Independent Directors where the Non-Executive Chairperson is Promoter or related to Promoter and Promoter Group. However, upon the completion of second term of an Independent Director on November 8, 2025, the composition of Board of Directors consisted of less than fifty percent of Independent Directors, as the vacancy caused was not filled in till the end of the Financial Year.
2. The Company has received a Settlement order from Securities and Exchange Board of India (SEBI) on February 23, 2026 in pursuance of the Settlement Application filed on June 3, 2024 with respect to non-obtaining of prior approval of audit committee for Related Party Transactions ('RPT') of earlier years, for which the Company and Compliance Officer had paid the prescribed Settlement amount on February 12, 2026 to SEBI.

We further report that,

Subject to our observation mentioned above in point 1, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. The decision taken by way of passing circular resolution by the Board was with requisite majority.

We further report that,

There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that,

During the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following :

1. The Company has acquired balance 10,000 equity shares of DGM Realties Private Limited ('DGM'), subsidiary of the Company on January 13, 2026 and consequently DGM became a wholly owned subsidiary of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. : 7364
C P No. : 7893
Unique Code of the Firm : P2013MH031900
Peer Review No. : 6357/2025
UDIN : F007364H000295476

Place : Pune
Date : May 8, 2026

Note : This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE 'A'

To,
The Members
Kalyani Steels Limited
Mundhwa,
Pune - 411 036

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards CSAS-1 to CSAS-4 (CSAS) issued by the Institute of Company Secretaries of India (ICSI). These Standards requires that the Auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
3. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS.
4. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

Methodology

5. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. We have relied on the documents and evidence provided physically and through electronic mode.
7. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

8. 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.
9. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. : 7364
C P No. : 7893
Unique Code of the Firm : P2013MH031900
Peer Review No. : 6357/2025
UDIN : F007364H000295476

Place : Pune
Date : May 8, 2026

ANNEXURE - E TO DIRECTORS' REPORT

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

a) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year :

Sr. No.	Name of the Director	Ratio
1	Mr.B.N. Kalyani	16.34
2	Mrs.Sunita B. Kalyani	1.80
3	Mr.Amit B. Kalyani	15.84
4	Mr.M.U. Takale	1.21
5	Mr.Sachin K. Mandlik*	0.60
6	Mr.S.K. Adivarekar	1.22
7	Mrs.Shruti A. Shah	1.21
8	Amb.Ahmad Javed	1.20
9	Mr.S.G. Joglekar	1.29
10	Mr.Kartik Bharat Ram	1.20
11	Mr.Raju S. Tolani	1.20
12	Mr.R.K. Goyal	186.83

* Ceased to be Director with effect from November 9, 2025 on completion of second term.

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year :

(₹ in Million)

Sr. No.	Name of the Director	Remuneration		% increase / (decrease)
		2025-26	2024-25	
1	Mr.B.N. Kalyani	14.13	14.05	0.56
2	Mrs.Sunita B. Kalyani	1.56	1.52	2.30
3	Mr.Amit B. Kalyani	13.70	14.01	(2.26)
4	Mr.M.U. Takale	1.05	1.02	2.95
5	Mr.Sachin K. Mandlik	0.52	1.01	(48.51)
6	Mr.S.K. Adivarekar	1.06	1.03	2.82
7	Mrs.Shruti A. Shah	1.05	1.02	3.15
8	Amb.Ahmad Javed	1.03	0.50	105.16
9	Mr.S.G. Joglekar	1.12	1.07	4.97
10	Mr.Kartik Bharat Ram	1.03	0.50	105.16
11	Mr.Raju S. Tolani	1.03	0.50	105.16
12	Mr.R.K. Goyal	161.54	153.21	5.44

Percentage increase in remuneration of Mr.B.M. Maheshwari, Chief Financial Officer is 3.83% and of Mrs.D.R. Puranik, Company Secretary is 8.30%.

c) The percentage increase in the median remuneration of employee(s) in the financial year : (15.90%)

d) The number of permanent employees on the role of the Company : 111 Employees as on March 31, 2026

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

Percentage increment at 50th Percentile for Salaries of Non-Managerial Personnel is 24.30%.

Percentage increment at 50th Percentile for Salaries of Managerial Personnel is 17.30%.

The increase in remuneration is not solely based on Company performance but also includes various other factors like individual performance, experience, skill sets, academic background, industry trends, economic situation and future growth prospects etc. besides Company performance. There are no exceptional circumstances for increase in managerial remuneration.

f) The remuneration paid to the Directors is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place : Pune
Date : May 8, 2026

B.N. Kalyani
Chairman

ANNEXURE - F TO DIRECTORS' REPORT

FORM AOC-1

Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A" : Subsidiaries

(₹ in Million)

Name of the Subsidiary	:	DGM Realties Private Limited
The Date since when subsidiary was acquired	:	March 29, 2024
Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	:	March 31, 2026
Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Indian Rupees
Share Capital	:	₹ 132.06
Reserves & Surplus	:	₹ 1,242.27
Total Assets	:	₹ 1,374.46
Total Liabilities	:	₹ 0.13
Investments	:	₹ 1.11
Turnover	:	Nil
Profit before Taxation	:	₹ 36.51
Provision for Taxation	:	₹ (9.19)
Profit after Taxation	:	₹ 27.32
Proposed Dividend	:	Not Applicable
% of shareholding	:	100%

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Million)

	Name of Associate / Joint Venture	Hospet Steels Limited (Joint Venture)	Kalyani Mukand Limited (Associate)
1.	Latest Audited Balance Sheet Date	March 31, 2026	March 31, 2026
2.	Date on which the Associate or Joint Venture was associated or acquired	March 27, 1999	January 18, 2000
3.	Shares of Associate / Joint Venture held by the Company on the year end		
	No.	124,997	1,000,000
	Amount of Investment in Associates / Joint Venture	₹ 1.249	₹ 10.05 (Refer Note 5(a) of Separate Financial Statements)
	Extend of Holding %	49.99%	50.00%
4.	Description of how there is significant influence	Note - A	Note - A
5.	Reason why the associate / joint venture is not consolidated	Consolidated	Note – B
6.	Networth attributable to Shareholding as per latest Audited Balance Sheet	(2.62)	—
7.	Profit / (Loss) for the year		
	Considered in Consolidation	—	—
	Not Considered in Consolidation	—	—

Notes :

A. There is Significant Influence due to percentage (%) of Share Capital.

B. Based on materiality or where control is intended to be temporary.

For and on behalf of the Board of Directors

Place : Pune	Mrs.D.R. Puranik	B.M. Maheshwari	R.K. Goyal	B.N. Kalyani
Date : May 8, 2026	Company Secretary	Chief Financial Officer	Managing Director	Chairman

ANNEXURE - G TO DIRECTORS' REPORT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

[Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A : GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L27104MH1973PLC016350
2.	**Name of the Listed Entity**	Kalyani Steels Limited
3.	**Year of incorporation**	1973
4.	**Registered office address**	Mundhwa, Pune - 411036, Maharashtra, India
5.	**Corporate address**	Mundhwa, Pune - 411036, Maharashtra, India
6.	**E-mail**	investor@kalyanisteels.com
7.	**Telephone**	+91-020-66215000
8.	**Website**	www.kalyanisteels.com
9.	**Financial year for which reporting is being done**	FY 2025-26
10	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11.	**Paid Up Capital**	₹ 218.64 Million
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mrs.D.R. Puranik, Company Secretary Contact No : +91-020-66215000 Email ID : investor@kalyanisteels.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	The disclosures under this report are made on a standalone basis.
14.	**Name of the assurance provider**	Not Applicable
15.	**Type of assurance obtained**	Not Applicable

II. Products / services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing of forging and engineering quality carbon and alloy steel, pig iron and foundry coke	97.03%

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

S. No.	Product / Service	NIC Code	% of total Turnover Contributed
1.	Rolled Products As Cast Blooms and Rounds Pig Iron Foundry Coke	24105 24103 24101 19101	97.03%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	6	7
International	0	0	0

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States and Union Territories)	36
International (No. of Countries)	2
b. What is the contribution of exports as a percentage of the total turnover of the entity?	0.59%
c. A brief on types of customers	The forging industry in India is the primary market for the Company's products. Indian and International component manufacturers for commercial vehicles, passenger vehicles, two wheelers, diesel engines, bearings, tractors, wind turbines, oil and gas and railways form the significant part of the company's clientele. Over the last 5 decades, the Company has earned the status of being the most preferred supplier of steel for critical applications.

IV. Employees

The Company's Integrated Steel Manufacturing Facility at Ginigera is under a strategic alliance with Mukand Limited (ML). Under this alliance, the Company and ML share the production in the ratio of 41.38% by the Company and 58.62% by ML.

The said Manufacturing Facility is managed and operated by Hospet Steels Limited (HSL), which is a joint venture between the Company and ML. All employees and workers engaged in Manufacturing Facility are on the roll of HSL.

HSL has 1,161 employees on its roll and 1,247 workers on contract basis. The expenses incurred by HSL are shared by the Company and ML in the production sharing ratio as above. As a result, these employees and workers do not form part of the Company's Business Responsibility and Sustainability Report.

As on March 31, 2026, the Company has 120 employees and 27 workers on its roll and 250 workers on contract basis. These employees and workers form part of the Company's Business Responsibility and Sustainability Report.

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled) :

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			EMPLOYEES			
1.	Permanent (D)	111	107	96.40	4	3.60
2.	Other than Permanent (E)	9	9	100	0	0
3.	Total employees (D + E)	120	116	96.67	4	3.33
			WORKERS			
4.	Permanent (F)	27	26	96.30	1	3.70
5.	Other than Permanent (G)	250	250	100	0	0
6.	Total Workers (F + G)	277	276	99.64	1	0.36

b. Differently abled Employees and workers :

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

21. Participation / Inclusion / Representation of Women

	Total (A)	Number and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18.18%
Key Management Personnel*	8	1	12.50%

* Key Management Personnel includes Senior Management as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. Turnover rate* for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.63%	44.44%	30.22%	19.72%	0	18.67%	22.72%	25.00%	25.85%
Permanent Workers	0	0	0	0	0	0	0	0	0

*includes employees who left voluntarily or due to retirement, dismissal or death.

V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

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

Please refer to Form AOC-1 (Annexure F to the Directors' Report) for the above information. The Company's Subsidiary Company, Associate Company and Joint Venture Company do not participate in its Business Responsibility initiatives.

VI. CSR Details

24. i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 : Yes

ii) Turnover (in ₹) : ₹ 18,456 Million

iii) Net Worth (in ₹) : ₹ 20,996 Million

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes / No) (If yes, then provide web-link for grievance redressal policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. https :// www. kalyanisteels.com/ contact-us/	0	0	—	0	0	—
Investors (other than Shareholders)	NA	0	0	—	0	0	—
Shareholders	Yes. As per SEBI Listing Regulations	0	0	—	3	0	—
Employees and Workers	Yes	0	0	—	0	0	—
Customers	Yes. https :// www. kalyanisteels.com/ contact-us/	24	0	—	19	0	—
Value Chain Partners	Yes. https :// www. kalyanisteels.com /contact-us/	0	0	—	0	0	—

26. Overview of the entity's material responsible business conduct issues : Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (indicate Positive / Negative implications)
1	Air emissions and air quality management	Risk	Production is derived from MBF route, which is an emission intensive process.	• The Company is committed to preventing, abating and mitigating emissions to air. • Best available technologies are adopted to mitigate and reduce air emissions.	Negative
2	Health and Safety	Risk	Non-compliance to safety measures may lead to liabilities, operational and financial loss to the Company.	• Provide health care services to employees / workers at their respective locations. • Regular training to employees / workers on health and safety measures.	Incidents may have adverse effect on employee morale and Company reputation.

3	Economic Performance	Opportunity	Identification of evolving demand dynamics in domestic / export markets helps in meeting operational guidance.	• Introduction of value added products / product diversification, as per customer requirements.	Positive
4	Human Capital	Risk	Not able to attract, develop and retain talent.	• Introduction of employee friendly policies and practices for employee growth, development and work satisfaction.	Consistent efforts would lead to positive impact.
5.	Water Consumption	Risk	The Company requires large quantity of water in its processes. Water is a vital yet limited resource, poses significant risk, due to its scarcity.	• Optimum water consumption is ensured by 3 R's (Reduce, Recycle and Reuse). • The Company operates a Wastewater Treatment Plant that treats 100% of the wastewater into reusable water.	Scarcity of water can have negative impact on the Company.
6	Customer Satisfaction	Opportunity	Enhanced customer satisfaction leads to increase in market share and increase in sales volume.	• Increased interactions with customers to understand their quality requirements. • Improves customer loyalty through quick response time. • Long-term agreements with customers.	Positive impact on the Company yielding favourable financial outcomes and contributing to sustained business success.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates Nine Principles referred to as P1-P9, as given below :

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive towards all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Policies on CSR, Prohibition of Insider Trading, RPTs, Whistle Blower are available on the link : https://www.kalyanisteels.com/profile/policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	N	N	N	N	N	N	N	N	N
4. Name of the national and international codes certifications / labels / standards adopted by your entity and mapped to each principle.	The National and International Codes / Certifications / Labels / Standards are listed below. a. ISO 9001 : 2015 (Quality Management Certification for Manufacturing of Plain Carbon and Alloy Steel Rolled Products) b. IATF 16949 First Edition (Automotive Quality Management System Certification for Manufacturing of Plain Carbon and Alloy Steel Rolled Products) c. ISO 14001 : 2015 (Environment Management System Certification) d. ISO 45001 : 2018 (Health & Safety Management System Certification) e. IBR Certificate (Well-known Steel Maker Certificate from Central Boilers Board)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N.A.								
6. Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	N.A.								
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements The Company is committed to integrate Environmental, Social and Governance (ESG) Principles into its business which is central to improving the life of the communities it serves. The Company is also committed to reduce environmental impact by continuously exploring promising ways to improve operational efficiency, reduce fossil fuel consumption and increase usage of greener materials.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Managing Director								
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No.								

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually / Half Yearly / Quarterly / Any other – please specify)
	P1 to P9	P1 to P9
Performance against above policies and follow up action	Yes	Annually
Compliance with Statutory requirements of relevance to the principles and rectification of any non-compliances	Yes	Annually

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

No

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated

Not applicable

SECTION C : PRINCIPLE-WISE PERFORMANCE DISCLOSURE

Principle 1 : Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / Principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	Nil	Nil	Nil
Key Managerial Personnel	2	Insider Trading Awareness, Related Party Transactions, Latest amendments in SEBI LODR, Health and Safety.	100%
Employees other than BoD and KMPs	4	Latest Trends in Steel Industry, Business Ethics and Code of Conduct POSH workshop, Health Awareness Session, Combating Stress through Yoga, Investment planning and secrets of long-term wealth creation, etc.	100% 100%
Workers	4	Various trainings were organized on work ethics, Safety Management, Health & Hygiene, Fire Drills, POSH workshop.	100%

*Key Management Personnel includes Senior Management as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format. (Note : the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website).**

The Company has received a Settlement order from Securities and Exchange Board of India (SEBI) on February 23, 2026 in pursuance of the Settlement Application filed on June 3, 2024 with respect to non-obtaining of prior approval of audit committee for Related Party Transactions ('RPT') of earlier years, for which the Company and Compliance Officer had paid the prescribed Settlement amount on February 12, 2026 to SEBI.

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

Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company has zero tolerance for any form of corruption or bribery and has an Anti-Corruption and Anti-Bribery Policy. The said Policy commands strict actions against anyone caught engaging in such unethical behaviour. The copy of the said Policy is accessible through the intranet of the Company.

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

No disciplinary action was taken by any law enforcement agency against any of the Company's Directors, KMPs, Employees or Workers for the charges of bribery or corruption.

6. **Details of complaints regarding conflict of interest.**

No complaints are reported with regard to conflict of interest of Directors as well as KMPs.

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

Not Applicable

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	81.24	65.01

9. **Openness of Business**

Details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties :

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	66.18%	60.16%
	b. Number of trading houses where purchases are made from	41	39
	c. Purchases from Top 10 trading houses as % of total purchases from trading houses	47.28%	46.59%

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	The Company supplies its finished products (steel and speciality alloy steel) to the vendors of Original Equipment Manufacturers who use the same as raw material. Hence, it does not have any sale / supply to dealers and distributors.	
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to Top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in (as respective %)	a. Purchases (purchases with related parties / total purchases)	6.78%	9.33%
	b. Sales (sales to related parties / total sales)	48.23%	53.65%
	c. Loans & Advances (loans & advances given to related parties / total loans & advances)	—	—
	d. Investments (investments in related parties / total investments made)	100%	100%

Principle 2 : Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

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

	FY 2025-26	FY 2024-25	Details of Improvements environmental and social impacts	
			FY 2025-26	FY 2024-25
R&D	—	—	—	—
Capex	1.16%	1.92%	a) Developed a garland drain with settling arrangement around the coke yard for effective stormwater runoff management. b) Constructed 375 m concrete road in the Raw Material Yard to reduce fugitive dust from vehicular movement. c) Installed windbreaker sheets around Raw Material and Fines Storage Yards to minimize windblown dust emissions. d) Installed 4 additional Canon Mist systems at critical dust-generating locations, significantly improving dust suppression. e) Implemented online monitoring of purging systems and air consumption in SP-1 & SP-2 dedusting systems to ensure reliable and efficient operation. f) Installed fog machines for yard dust suppression with dedicated power supply. g) Installed OCEMS at COD, MBF #3 FES, and RMS-2 chimneys for continuous emission monitoring. h) Replaced two ESP fields in SP-2 to improve particulate collection efficiency and emission control. i) Reused Guard Pond water in MBF #1 & #3 slag granulation systems and enhanced storage capacity to reduce freshwater consumption.	a) 5,000 m of conveyer guard installed to reduce pollution and improve safety. b) SPI ESP upgraded from 60kv to 72kv. c) COD bag filter upgraded. d) Rainwater harvesting with proper guard pond. e) Storm water drain implemented f) Water conservation in all process implemented. g) Blowdown water utilized in dust suppression. h) Additional Canon mist fogger. i) Additional sprinkler installed in MBF3.

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

   Yes. Steel is fifth largest carbon emitting industry in the world. Globally, research and development is underway to de-carbonize the steel making process. However, the development of such technology is yet to be matured for a large commercial scale operations. Considering this, sustainable sourcing of input raw materials (major carbon emitting materials) is a significant challenge. Nonetheless, the Company is working with few suppliers to have sustainable sourcing of some of the key input materials.

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

   Not Applicable

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

   The Company manufactures products (steel and speciality steel) which are intermediate products (input materials) for customers who in turn finally produce finished products. End-of-life steel or scrap steel, generated internally, is not considered as waste product by the Company, instead used as input product by recycling, which shows the Company's commitment to the principle of 'recycle, reuse and reduce.' The steel slag generated during the production is sold to cement manufacturers which helps to make the cement more durable and workable. The Company has system in place to recycle plastics, e-waste and hazardous waste in a safe manner. The Company also has implemented waste segregation mechanism at its office as well as in the manufacturing plant.

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

   Not Applicable

Principle 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	107	107	100	107	100	0	0	0	0	0	0
Female	4	4	100	4	100	4	100	0	0	0	0
Total	111	111	100	111	100	4	3.60	0	0	0	0
Other than Permanent employees											
Male	9	9	100	9	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	9	9	100	9	100	0	0	0	0	0	0

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	26	26	100	26	100	0	0	0	0	0	0
Female	1	1	100	1	100	1	100	0	0	0	0
Total	27	27	100	27	100	1	3.70	0	0	0	0
Other than Permanent workers											
Male	250	250	100	250	100	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	250	250	100	250	100	0	0	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) :

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.16%	0.18%

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	0	100	Y	0	100	Y

3. **Accessibility of workplaces**

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

The Company's various locations, including the offices / premises have been equipped with lifts and handrails for stairwells to facilitate the movement of differently abled individuals. Thus, Company's premises has been made access friendly.

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

The Company provides equal employment opportunities, without any discrimination on the grounds of age, colour, disability, marital status, nationality, race, religion, sex, sexual orientation. The Company strives to maintain a work environment that is free from any harassment based on above considerations. This Equal Opportunities Policy is subject to applicable regulations, qualifications and merit of the individual and the same is available on the intranet of the Company.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

Parental leave was not availed by any of the permanent employees / workers during the year.

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

	Yes / No (If yes, give details of the mechanism)
Permanent Workers	Yes - HR Department has established a grievance handling mechanism.
Other than Permanent Workers	Yes - HR Department has established a grievance handling mechanism.
Permanent Employees	Yes - HR Department has established a grievance handling mechanism.
Other than Permanent Employees	Yes - HR Department has established a grievance handling mechanism.

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	111	0	0	93	0	0
Male	107	0	0	88	0	0
Female	4	0	0	5	0	0
Total Permanent Workers	27	0	0	20	0	0
Male	26	0	0	19	0	0
Female	1	0	0	1	0	0

8. Details of training given to employees and workers :

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	116	116	100	87	75.00	100	100	100	61	61.00
Female	4	4	100	4	100.00	5	5	100	5	100.00
Total	120	120	100	91	75.83	105	105	100	66	62.86
Workers										
Male	276	276	100	276	100	253	253	100	253	100
Female	1	1	100	1	100	1	1	100	1	100
Total	277	277	100	277	100	254	254	100	254	100

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	116	116	100	100	100	100
Female	4	4	100	5	5	100
Total	120	120	100	105	105	100
Workers						
Male	26	26	100	19	19	100
Female	1	1	100	1	1	100
Total	27	27	100	20	20	100

10. Health and safety management system :

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

Yes, the Company has implemented the ISO 45001-2018 Occupational Health & Safety Management System in its manufacturing plant, which is designed to ensure EHSMS (Environmental, Health and Safety Management System) related legal obligations and provides a safe and healthy working environment for its workers and employees. All the operations of the plant are covered as part of this management system.

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

The Company places highest emphasis on health and safety of employees and workers and hence, employs several proactive safety tools and measures to ensure safe working conditions. These includes :

a. Internal Safety visits, which involve regular inspections of the workplace to identify potential hazards and unsafe practices.

b. Elimination of Commonly Accepted Unsafe Practices.

c. Checking the compliance and adequacy of Standard Operating Procedures for a particular job.

d. Third Party Safety Audits.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks ? (Yes/ No)

Yes, the Company has defined a process to report work-related hazards as part of ISO 45001-2018 Occupational Health and Safety Management System. In addition, the employees are encouraged to utilise existing safety observations reporting system, near-miss reporting process, safety suggestion schemes to report hazards. The Company also conducts safety audits, safety assessments to identify and address any safety risks in the workplace.

d. Do the employees / workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

All the employees are offered a variety of health and wellness benefits, including health insurance and accident insurance. Regular medical consultation is available on weekly basis.

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

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

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

The Company considers employees as its most valued assets and has implemented comprehensive measures to ensure their safety and well-being. This includes :

a. Taking measures which are compliant with all statutory preventive healthcare and occupational health and safety requirements.

b. Conducting routine and periodic safety audits, safety inspections and various training programmes such as fire training, first aid, attitude and behavioural training, general safety awareness.

c. Benchmarking best practices that are regularly shared across the business units.

13. Number of Complaints on the working conditions, health and safety made by employees and workers

No complaints were made by any employee or worker, on the working conditions and / or health and safety practices of the Company.

14. Assessments for the year :

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

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

All Safety incidences and near-misses, if any, are investigated in detail by internal / external audits. Opportunities for improvements are identified during such internal / external assessments. Corrective and preventive action plans are implemented to avoid re-occurrence of similar incidents.

Principle 4 : Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

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

Internal and External group of stakeholders have been identified. Presently the said stakeholders' group have the immediate impact on the working and operations of the Company which includes employees, investors, suppliers and service providers, customers and community.

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

Stakeholder Group	Whether identified as Vulnerable and Marginalized Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Performance Reviews and Appraisals, Employee Feedback Programs, Employee Engagement Surveys, Senior Leadership communication meetings, Conferences and Town Hall Briefings.	Annually	• Caring and empowering work environment. • Personal development and growth • Employee feedback and grievance resolution
Investors	No	Annual Report, Company's Website, Quarterly & Annual Results, Annual General Meeting	Annually, Quarterly, Periodically as applicable	• Effective and transparent communication of business performance • Sound Corporate Governance mechanism • Addressing investors concerns / queries
Suppliers and Service providers	No	Contract Agreements, Regular discussions with Supplier and Vendors, Membership in industry associations.	Continuous and Ongoing	• Efficient and sustainable use of resources • Routine ordering and payment related matters • Competency development of vendors
Customers	No	Customer meetings, Plant visits, Emails, Conferences and events	Continuous and Ongoing	• Sale of materials and services • Product quality and timely delivery of products • Fair and competitive pricing
Community	No	Meetings / training / workshops	Continuous and Ongoing	• CSR obligations

Principle 5 : Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No of employees / workers covered (B)	% (B / A)	Total (C)	No of employees / workers covered (D)	% (D / C)
EMPLOYEES						
Permanent	111	111	100	93	93	100
Other than permanent	9	9	100	12	12	100
Total Employees	120	120	100	105	105	100
WORKERS						
Permanent	27	27	100	20	20	100
Other than permanent	250	250	100	234	234	100
Total Workers	277	277	100	254	254	100

2. **Details of minimum wages paid to employees and workers, in the following format :**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C /A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent										
Male	107	0	0	107	100	88	0	0	88	100
Female	4	0	0	4	100	5	0	0	5	100
Other than Permanent										
Male	9	0	0	9	100	12	0	0	12	100
Female	0	0	0	0	0	0	0	0	0	0
WORKERS										
Permanent										
Male	26	0	0	26	100	19	0	0	19	100
Female	1	0	0	1	100	1	0	0	1	100
Other than Permanent										
Male	250	0	0	250	100	234	0	0	234	100
Female	0	0	0	0	0	0	0	0	0	0

3. Details of remuneration / salary / wages, in the following format :

a. Median remuneration / wages :

	Male		Female	
	Number	**Median remuneration / salary / wages of respective category (₹ in Million)**	**Number**	**Median remuneration / salary / wages of respective category (₹ in Million)**
Board of Directors (BoD) (Only Executive Directors)	1	161.54	0	0
Key Managerial Personnel* (other than BoD)	7	12.85	1	8.50
Employees other than BoD and KMP	99	1.20	3	0.89
Workers (Permanent)	26	0.27	1	0.27

*Key Managerial Personnel includes Senior management as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

b. Gross Wages paid to female as % of total wages paid by the entity, in the following format :

	FY 2025-26	FY 2024-25
Gross wages paid to females as a % of total wages	2.32%	3.04%

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company recognizes upholding human rights as an integral part of doing business and committed to respect and protect human rights of all stakeholders. The Company policies, procedures and systems are designed to ensure protection of human rights. The Company has formulated a Human Rights Policy which states that the employees can address their complaints or grievances to the Human Resource Department. There shall be no retaliation taken against any employee who raises concern in accordance with the policy. Human Resource Department is responsible to investigate the reported issues and ensure that they are addressed and rectified.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has formulated Human Rights Policy in combination with the Grievance Policy to ensure that grievances are addressed promptly and effectively. The employees / affiliates can address their complaints / grievances to the Human Resource Department. No reprisal or retaliatory action is taken against the concerned employee / affiliate for raising concerns under the Policy.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	0	0	—	0	0	—
Discrimination at workplace	0	0	—	0	0	—
Child Labour	0	0	—	0	0	—
Forced Labour / Involuntary Labour	0	0	—	0	0	—
Wages	0	0	—	0	0	—
Other Human Rights related issues	0	0	—	0	0	—

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format :

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

As a part of the Prevention of Sexual Harassment (POSH) Policy and Whistle Blower Policy, the identity of the complainant is protected and all matters related to discrimination / harassment are dealt with in strict confidence. The Company discourages retaliation against anyone reporting any legitimate concerns.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes / No)**

Yes, human rights requirements form part of Supplier Code of Conduct, whereby suppliers are insisted to respect human rights standards and work towards them in all business activities.

10. **Assessments for the year :**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced / involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above**

The Plant and Offices of the Company were found to be having no significant risks / concerns and as a result, no corrective actions were required on the criteria stated above.

Principle 6 : Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format :**

Parameter	Unit	FY 2025-26	FY 2024-25
From Renewable Sources			
Total electricity consumption (A)	GJ	137,761	117,810
Total fuel consumption (B)	—	0	0
Energy consumption through other sources (C)	—	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	137,761	117,810
From Non-Renewable Sources			
Total electricity consumption (D)	GJ	0	0
Total fuel consumption (E)	GJ	8,629,514	8,580,487
Energy consumption through other sources (F)	—	0	0
Total energy consumed from non-renewable sources (D+E+F)	GJ	8,629,514	8,580,487
Total Energy Consumed (A+B+C+D+E+F)	GJ	8,767,275	8,698,297
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)		0.00048	0.00044
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)		0.00966	0.00907
Energy intensity in terms of physical output		—	—

*PPP Conversion factor for 2026 is 20.34 & for 2025 is 20.66 as per implied PPP Conversion Rate of IMF.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes. The Company is under PAT / CCTS Scheme. Targets could not be achieved for PAT 7A cycle. However, there are e-certificates gained under PAT cycle-3. These certificates will be adjusted for shortfall in PAT 7A. Final Report is awaited from BEE for PAT 7A cycle.

3. Provide details of the following disclosures related to water, in the following format :

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by the source in Kilolitres (KLs)		
i) Surface Water	1,268,795	1,235,478
ii) Ground water	281,963	0
iii) Third party water	0	0
iv) Sea water / Desalinated water	0	0
v) Other	0	0
Total volume of water withdrawal (in Kilolitres) (i + ii + iii + iv + v)	1,550,758	1,235,478
Total volume of water consumption (in Kilolitres)	1,115,240	957,170
Water intensity per rupee of turnover (Water consumed / turnover)	0.000060	0.000048
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	0.0012	0.0009
Water intensity in terms of physical output	—	—

*PPP Conversion factor for 2026 is 20.34 & for 2025 is 20.66 as per implied PPP Conversion Rate of IMF.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged :

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment in Kilolitres (KLs)		
(i) To Surface water No treatment With treatment (specify the level of treatment)	N.A.	N.A.
(ii) To Groundwater No treatment With treatment (specify the level of treatment)	N.A.	N.A.
(iii) To Seawater No treatment With treatment (specify the level of treatment)	N.A.	N.A.
(iv) Sent to Third Parties No treatment With treatment (specify the level of treatment)	N.A.	N.A.
(v) Others No treatment With treatment (specify the level of treatment)	N.A.	N.A.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company acknowledges the importance of effective water resource management both inside and outside of its operational sites. The Company is committed to improving water use efficiency while ensuring that water is available to all stakeholders. The Company, at its plant at Hospet, operates a Wastewater Treatment System which treats 100% of waste water into re-usable water. The treated wastewater is then used to reduce the consumption of freshwater and also used in various areas of the Plant like recreational garden. As a result the company operates on Zero Liquid Discharge (ZLD).

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Unit	FY 2025-26	FY 2024-25
NOx	μgm/m^3	20.42	19.84
SOx	μgm/m^3	18.57	17.92
Particulate matter (PM)	μgm/m^3	41.82	46.38
Persistent organic pollutants (POP)	—	—	—
Volatile organic compounds (VOC)	—	—	—
Hazardous Air Pollutants (HAP)	—	—	—

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format :

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	588,692	593,189
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	291	5,033
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent / rupee turnover	0.000032	0.000030
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity. (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*		0.000649	0.000624
Total Scope 1 and Scope 2 emissions intensity in terms of physical output		—	—

*PPP Conversion factor for 2026 is 20.34 & for 2025 is 20.66 as per implied PPP Conversion Rate of IMF.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Deutsch Quality Systems (India) Private Limited

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company continuously strives to track all of its energy consumption to identify avenues of energy conservation which creates a positive impact for the community and environment in which it operates.

The Company used 38.2 million kWh of renewable energy to replace equivalent number of units from Karnataka Power Transmission Corporation Limited (KPTCL) Grid Power. Various other initiatives include introduction of Energy Efficient Pump for mould and spray cooling in caster that saves power. Energy saving is also achieved by installing VFD in Sinter cooler motor, for adjusting speed with sinter discharge temperature.

9. Provide details related to waste management by the entity, in the following format :

Parameter	**FY 2025-26**	**FY 2024-25**
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	47.42	24.46
E-waste (B)	35.75	20.87
Bio-medical waste (C)	0.016	0.022
Construction and Demolition Waste (D)	0	0
Battery waste (E)	3.64	3.76
Radioactive waste (F)	0	0
Other Hazardous waste (Used Oil / Waste Oil) (G)	9.608	7.172
Other Non-hazardous waste generated (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
i) Granulated Slag	114,142	106,958
ii) MBF Slag	4,825	1,956
iii) Iron Powder	—	304
iv) Pig Iron Scrap	4,212	4,832
v) GCP Dust	6,026	6,712
vi) RMS Mill Scale	3,512	3,455
vii) RMS End Cuts	5,769	5,824
viii) SMS End Cuts	5,076	5,490
ix) Iron Ore Fines	53,490	54,213
x) Coke Fines	6,899	9,581
Total (A+B + C + D + E + F + G + H)	**203,951 MTs**	**199,325 MTs**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000026	0.000010
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	0.00052	0.00020
Waste intensity in terms of physical output	—	—

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of Waste		
(i) Recycled	84,984	90,411
(ii) Re-used	—	—
(iii) Other recovery operations	—	—
Total	**84,984**	**90,411**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of Waste		
(i) Incineration	—	—
(ii) Landfilling	—	—
(iii) Other disposal operations	118,967	108,914
Total	**118,967**	**108,914**

*PPP Conversion factor for 2026 is 20.34 & for 2025 is 20.66 as per implied PPP Conversion Rate of IMF.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous wastes and other wastes that include e-waste, are stored in a designated place and they are safely disposed as per the norms laid by Karnataka State Pollution Control Board (KSPCB).

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format :

Not Applicable.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year :

Not Applicable

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format :

The Company is in compliance with all applicable environmental laws.

Principle 7 : Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers / associations :

The Company is a member of 8 Trade Associations.

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1.	Confederation of Indian Industry	National
2.	The Alloy Steel Producers Association of India	National
3.	Associated Chamber of Commerce & Industries of India	National
4.	Indian Stainless Steel Development Association	National
5.	Steel Furnace Association of India	National
6.	Engineering Export Promotion Council	National
7.	Federation of Indian Export Association	National
8.	Thane Belapur Industrial Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There were no incidents of anti-competitive behaviour, abuse of dominant position or unfair trade practices involving the Company during the reporting period i.e. FY 2025-26.

Principle 8 : Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format :

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has regular engagement with key community institutions and representatives from key neighbourhood areas. The Company has provided e-mail ID and drop box system for grievance redressal, to enable the stakeholders to easily communicate their concerns and suggestions.

4. Percentage of input material (Inputs to total inputs by value) sourced from suppliers

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs / small producers	27.83%	14.87%
Directly from within India	36.33%	52.78%

5. Job creation in smaller towns (Wages paid to persons employed [including employees or workers employed on a permanent or non-permanent / on contract basis] in the following locations as % of total wage cost to be disclosed)

Location	FY 2025-26	FY 2024-25
Rural	74.95%	76.69%
Semi Urban	—	—
Urban	25.05%	23.31%
Metropolitan	—	—

Principle 9 : Businesses should engage with and provide value to their customers in a responsible manner.

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Customer complaints are captured through e-mails and personal meetings and the same are addressed as per documented procedure.

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and / or safe disposal

Not Applicable

3. Number of consumer complaints in respect of the following :

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	0	0	—	0	0	—
Advertising	0	0	—	0	0	—
Cyber Security	0	0	—	0	0	—
Delivery of essential services	0	0	—	0	0	—
Restrictive Trade Practices	0	0	—	0	0	—
Unfair Trade Practices	0	0	—	0	0	—
Others	0	0	—	0	0	—

4. Details of instances of product recalls on account of safety issues

Not Applicable

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company has a formal policy on Data Protection and Privacy and a copy of the same is available on the Intranet of the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches

a. Number of instances of data breaches : No instances of data breaches were recorded.

b. Percentage of data breaches involving personally identifiable information of customers : Not Applicable

c. Impact, if any, of the data breaches : Not Applicable

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Financial Statements

To the Members of Kalyani Steels Limited

Opinion

We have audited the accompanying Standalone Financial Statements of Kalyani Steels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information. These financial statements include the Company's proportionate share of a Joint Operation.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on financial statements of the Joint Operation, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as 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 together with the ethical requirements that are relevant to our audit of the 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 we have obtained along with the consideration of the report of the other auditor referred to in the "Other Matters" paragraph is sufficient and appropriate to provide a basis for our audit opinion on the Standalone 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 Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Sr. No.	Key Audit Matter	How our Audit addressed the Key Audit Matter
1.	**Accounting of joint operation** As explained in Note 2.A.3, the Company's composite steel manufacturing facility at Ginigera is under a strategic alliance arrangement with a joint venture partner. The facility is managed by Hospet Steels Limited. The alliance confers Kalyani Steels Limited (KSL) and Mukand Limited (ML) with rights to assets, obligations for liabilities, sharing of expenses / loss in the proportion of product sharing ratio (viz. 41.38% by KSL and 58.62% by ML). Thus, KSL and ML have right to the assets and obligations for the liabilities of this arrangement.	As part of our audit procedures : ● We have obtained the said strategic alliance agreement and read the terms and conditions mentioned therein. ● Assessed the management's judgement of concluding the arrangement as joint operation as per the principles laid down under Ind AS 111. ● We have tested the controls and procedures established by the management relating to accounting of joint venture. ● Read report of the auditors of the joint operation. Further, obtained confirmation from auditors of the joint operation on specific procedures performed and outcome thereof in respect of material accounting matters, significant events and unusual transactions.

Sr. No.	Key Audit Matter	How our Audit addressed the Key Audit Matter
	The strategic alliance is a joint arrangement in the nature of joint operation and accordingly, the Company has recognized its share of expenses, assets and liabilities from joint operation in its separate financial statements. Due to the nature and complexities involved in accounting of strategic alliance arrangement as joint operation, this is a key audit matter.	The accounting for joint operation requires the Company to recognize only its share of expenses from the joint operation, therefore we have verified if the amount charged to ML (joint venture partner) are as per the terms and conditions of strategic alliance arrangement and have been offset against the respective expense line items. Similarly, the expenses incurred by the ML (joint venture partner) and charged to the Company have been reclassified to the respective expense line items based on the nature of such expense.
2.	**Valuation of inventory** (Refer to Note 9 to the Standalone Financial Statements - "Inventories") The finished good's inventory is valued at cost or net realizable value whichever is lower. Costs include direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but does not include borrowing costs. Cost of work-in-progress and finished goods are determined on a weighted average basis. The Company's composite steel manufacturing involves processes such as Mini Blast Furnace (MBF), Steel Melting Shop (SMS) and Rolling Mill Shop (RMS). Production is carried out continuously, by way of the simultaneous, standardized and sequential process. The output of a process is the input of another. The production from the last process is transferred to finished stock. Both direct and indirect costs are charged to the processes. Production results in joint and by-products. Losses, both normal and abnormal losses, occur at different stages of production, which are also taken into consideration while calculating the unit cost. Considering the calculation of process cost at each stage, accounting of joint product and by-product, normal / abnormal losses and allocation of overheads, the valuation of inventory is regarded as a key audit matter.	As a part of our audit procedures over valuation of inventory, we have performed the following procedures : ● assessed the design and performed tests of the design and operating effectiveness of the key controls over inventory valuation. ● obtained understanding of production process at each stage. ● obtained and tested on sample basis the process cost of each production process. ● verified the calculations, accounting of joint and by-product and allocation basis of overhead as per costing principles. ● tested the assumptions such as allocation percentages of fixed and variable overheads and yield rate at each production stage with source data. ● Further, we have tested on sample basis, net realizable value of finished goods based on subsequent sale value. ● We have also checked the aging report for identification of non-moving / slow moving finished goods on a sample basis. ● Analytical review of production quantity and cost of finished goods.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, and based on the work done / audit report of the other auditor, 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 Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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 Financial Statements, management is responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors of the Company and its joint operation are also responsible for overseeing the respective financial reporting processes.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the 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 controls 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 an adequate internal financial control with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 or its Joint Operation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its Joint Operation to express an opinion on the Standalone Financial Statements. For the joint operation included in the Standalone Financial Statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

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 Financial Statements for the financial year ended March 31, 2026 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.

Other Matter

We did not audit the financial information of joint operation included in the Standalone Financial Statements on proportionate basis whose financial statements reflect total revenue of ₹ Nil, total comprehensive income / loss of ₹ Nil for the year ended March 31, 2026 and Company's share of expenditure of ₹ 1,083.42 Million. The joint operation has total assets of ₹ 383.95 Million as on March 31, 2026 and net cash inflow of ₹ 5.9 Million for the year ended March 31, 2026.

The financial statements of this joint operation have been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this joint operation, is based solely on the report of such other auditor.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on financial statements of a joint operation that was audited by the other auditor, as noted in the "Other Matters" paragraph, we report to the extent applicable that :
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph h (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    e) On the basis of the written representations received from the Directors as on March 31, 2026 taken on record by the Board of Directors and the report of other auditor of the Joint Operation, none of the Directors are disqualified as on March 31, 2026 from being appointed as a Director in terms of Section 164 (2) of the Act;
    f) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements of the company and it's joint operation and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
    g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its Directors in accordance with the provisions of Section 197 read with Schedule V to the Act. As per the report of the auditor of the Joint Operation, the remuneration paid / provided by the Company to its Directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act;
    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the

report of the other auditor on financial statements of a joint operation, as noted in the "Other Matters" paragraph :

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 36 to the Standalone 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 has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended :

   a. As represented to us by the management, to the best of its knowledge and belief, as disclosed in Note 54 of the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b. As represented to us by the management, to the best of its knowledge and belief, as disclosed in Note 54 of the Standalone Financial Statements, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention 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 final dividend declared in respect of the previous year has been paid by the Company during the year, in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

   As stated in Note 14(iv) to the Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The proposed dividend is in accordance with Section 123 of the Act to the extent applicable.

vi. Based on our examination, which included test checks, the Company have used accounting software for maintaining its books of account for the year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, the audit trail was not enabled at the database level. In respect of payroll, which is managed by third party, the SOC I Type II report has reported that, audit trail of application for financially relevant parameters are enabled at application level and at underlying database level.

   Except as mentioned in above para, based on our examination which included test checks, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162ORSAWX9471

Pune
May 8, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that :

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

ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment are physically verified by the management according to a phased program designed to cover all the items over a period of four years which, in our opinion, is reasonable having regards to size of the Company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been 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 as disclosed in the Financial Statements are held in the name of the Company.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not revalued its property, plant and equipment or intangible assets or both during the year. Accordingly, Clause 3(i)(d) of the Order is not applicable to the Company

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made thereunder. Accordingly, the reporting requirements of clause (i)(e) of paragraph 3 of the Order is not applicable to the Company.

(ii) (a) The inventory, other than stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate. In respect of inventory lying with third parties at the year end, written confirmations have been obtained. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such inventories.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of accounts.

(iii) (a) On the basis of examination of records of the Company and information and explanation given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in two companies and eight mutual fund schemes during the year.

(b) Based on the information and explanations provided to us, In respect of the aforesaid investments the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting requirement of clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

(d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan to Companies, Firms, Limited Liability Partnerships or other parties. Accordingly, the reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made.

(v) According to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent applicable. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for contravention of these sections or any other relevant provision(s) of the Act and the relevant rules. Accordingly, reporting requirement of clause (v) of paragraph 3 of the Order is not applicable to the company.

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining 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 July 1, 2017, these statutory dues has been subsumed into GST.

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 Goods and Services Tax, Provident Fund, Employees State Insurance, Income Tax, and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of records of the company, no undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows :

Name of the Statute	Nature of dues	Amount (₹ in Million)	Period for which the amount relates	Forum where the dispute is pending
Goods and Service Tax Act, 2017#	Goods and Service Tax	84.65	FY 2017-18	The Joint Commissioner of Commercial Taxes
Goods and Service Tax Act, 2017#	Goods and Service Tax	60.26	FY 2018-19	The Joint Commissioner of Commercial Taxes
Goods and Service Tax Act, 2017#	Goods and Service Tax	9.88	FY 2019-20	GST Appellate Authority
Goods and Service Tax Act, 2017#	Goods and Service Tax	45.62	FY 2019-20	The Joint Commissioner of Commercial Taxes
Goods and Service Tax Act, 2017#	Goods and Service Tax	48.84	FY 2020-21	The Joint Commissioner of Commercial Taxes
Goods and Service Tax Act, 2017#	Goods and Service Tax	17.74	FY 2020-21	GST Appellate Authority
Goods and Service Tax Act, 2017#	Goods and Service Tax	75.03	FY 2021-22	The Joint Commissioner of Commercial Taxes
Goods and Service Tax Act, 2017#	Goods and Service Tax	20.25	FY 2022-23	The Deputy Commissioner of Commercial Taxes
Income Tax Act, 1961	Income Tax	0.24	AY 2016-17	CIT Appeals
Income Tax Act, 1961	Income Tax	4.93	AY 2017-18	CIT Appeals
Income Tax Act, 1961*	Income Tax	2.73	AY 2018-19	CIT Appeals

Name of the Statute	Nature of dues	Amount (₹ in Million)	Period for which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961*	Income Tax	12.57	AY 2019-20	CIT Appeals
Income Tax Act, 1961	Income Tax	28.98	AY 2020-21	CIT Appeals

* Out of above ₹ 3.06 Million were paid under protest.
Out of above ₹ 24.31 Million were paid under protest.

(viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly reporting requirement of clause (viii) of paragraph 3 of the Order is not applicable to the company.

(ix) (a) 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 defaulted in the repayment of loans or other borrowings or in the payment of interest to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion, and according to the information and explanations given to us, the Company has not obtained any term loan during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, funds raised on short-term basis (as bridge finance) have been utilized to the extent of ₹ 4,239.98 Million for long-term investment (i.e. for purchase of fixed assets).

(e) According to the information and explanations given to us and based on our audit procedures, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiary, Associate, Joint Venture and Joint Operation (as defined under the Act). Accordingly reporting requirement of clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and based on our audit procedures, the Company has not raised loans during the year on the pledge of securities held in Subsidiary, Associate, Joint Venture and Joint Operation (as defined under the Act). Accordingly reporting requirement of clause (ix)(f) of paragraph 3 of the Order is not applicable to the company.

(x) (a) In our opinion and according to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the current financial year. Accordingly, the reporting requirement of clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting requirement of clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, a report under Section 143(12) of the Act in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting requirement of clause (xi)(b) of paragraph 3 of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and Nidhi Rules, 2014 are not applicable to it. Accordingly, provisions of Para 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, we report that the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details as required by the applicable Ind AS have been disclosed in the Financial Statements (Note 38) as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with him. Accordingly, the reporting requirement of clause (xv) of paragraph 3 of the Order is not applicable to the Company.

(xvi) (a) According to information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement of clause (xvi)(a) of paragraph 3 of the Order is not applicable to the Company.

(b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting requirement of clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.

(c) According to information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirement of clause (xvi)(c) of paragraph 3 of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, there are two Core Investment Companies within the Group.

(xvii) Based on the examination of the records, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting requirement of clause (xviii) of paragraph 3 of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, the reporting requirement of clause 3(xx)(a) and 3(xx)(b) of paragraph 3 of the Order is not applicable to the Company.

(xxi) In our opinion and according to the information and explanations given to us, the auditor of joint operation company incorporated in India and included in the Financial Statements, in their report under the Companies (Auditor's Report) Order, 2020 (CARO) have not given any unfavourable remarks, qualifications or adverse remarks.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162ORSAWX9471

Pune
May 8, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kalyani Steels Limited of even date)

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

Opinion

We have audited the internal financial controls with reference to those Standalone Financial Statements of Kalyani Steels Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date which includes internal financial controls with reference to financial statements of the Company's joint operation which is a company incorporated in India.

In our opinion, the Company and its joint operation which is a company incorporated in India has, in all material respects, an adequate internal financial controls with reference to those Standalone Financial Statements and such internal financial controls with reference to those Standalone Financial Statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 internal financial controls with reference to those Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both issued by ICAI. 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 those Standalone 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 the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to those Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 those Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to those Standalone Financial Statements

A company's internal financial control with reference to those Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to those Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to those Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to those Standalone 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 those Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to those Standalone Financial Statements may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to a Joint Operation, is based on the corresponding report of the auditor of such Company. Our opinion is not modified in respect of this matter.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162ORSAWX9471

Pune
May 8, 2026

BALANCE SHEET AS AT MARCH 31, 2026

(₹ in Million)

	Notes		As at March 31, 2026	As at March 31, 2025
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3		6,267.43	6,774.29
(b) Capital work-in-progress	3		5,597.95	4,294.92
(c) Intangible assets	4		3.22	4.18
(d) Financial assets				
(i) Equity Investment held in subsidiary and associate	5.a		1,321.32	1,475.81
(ii) Investments	5.b		110.07	26.20
(iii) Other financial assets	6.a		313.50	138.43
(e) Income Tax assets (net)	7		7.07	7.07
(f) Other non-current assets	8.a		570.18	619.37
		Total	**14,190.74**	**13,340.27**
Current assets				
(a) Inventories	9		2,008.57	2,146.47
(b) Financial assets				
(i) Trade receivables	10		4,963.39	4,313.45
(ii) Cash and cash equivalents	11		766.41	143.00
(iii) Bank balances other than (ii) above	12		6,973.09	6,899.06
(iv) Other financial assets	6.b		348.88	304.11
(c) Other current assets	8.b		653.45	303.56
		Total	**15,713.79**	**14,109.65**
Total Assets			**29,904.53**	**27,449.92**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13		218.64	218.64
(b) Other equity	14			
(i) Reserves and surplus			20,777.49	18,700.81
(ii) Other reserves			—	124.88
Total Equity			**20,996.13**	**19,044.33**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15		—	—
(ii) Other Financial Liabilities	16		581.18	212.68
(b) Provisions	18.a		83.26	61.08
(c) Deferred tax liabilities (net)	19		245.39	240.84
		Total	**909.83**	**514.60**
		Carried Over	909.83	514.60
		Carried Over	20,996.13	19,044.33

BALANCE SHEET AS AT MARCH 31, 2026

(₹ in Million)

	Notes		As at March 31, 2026	As at March 31, 2025
		Carried Over	20,996.13	19,044.33
		Carried Over	909.83	514.60
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20		4,750.25	4,375.97
(ii) Trade payables	21			
- total outstanding dues of micro enterprises and small enterprises			118.52	240.69
- total outstanding dues of creditors other than micro enterprises and small enterprises			2,569.54	2,789.49
(iii) Other financial liabilities	17		318.40	246.90
(b) Provisions	18.b		75.68	45.36
(c) Other current liabilities	22		72.35	116.79
(d) Current tax liabilities (net)	23		93.83	75.79
		Total	**7,998.57**	**7,890.99**
Total liabilities			**8,908.40**	**8,405.59**
Total Equity and Liabilities			**29,904.53**	**27,449.92**

Material Accounting Policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

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

(₹ in Million)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	24	18,456.07	19,819.04
Other Income	25	564.40	516.71
Total Income		**19,020.47**	**20,335.75**
Expenses			
Cost of raw materials consumed	26	9,594.58	10,338.80
Purchase of traded goods	27	583.91	1,035.77
Manufacturing Expenses	32.a	2,819.26	2,781.72
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(7.22)	88.79
Employee benefits expense	29	867.60	832.96
Finance costs	30	86.38	185.66
Depreciation and amortization expense	31	570.39	633.88
Other expenses	32.b	984.77	1,010.99
Total expenses		**15,499.67**	**16,908.57**
Profit before exceptional items and tax		3,520.80	3,427.18
Exceptional items	55	(79.26)	—
Profit before tax		**3,441.54**	**3,427.18**
Tax expense			
Current tax		881.50	851.50
Deferred tax		6.86	39.24
Taxation in respect of earlier years		1.81	6.10
Total tax expense	34	890.17	896.84
Profit for the year		**2,551.37**	**2,530.34**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent year			
(a) Re-measurement of post employment benefit plans		(9.14)	(13.00)
Tax on above		2.30	3.27
		(6.84)	(9.73)
(b) Changes in fair value of equity instruments (compulsorily convertible debentures)		(156.20)	45.80
Total other comprehensive income for the year (net)		(163.04)	36.07
Total comprehensive income for the year		**2,388.33**	**2,566.41**
Earnings per share (of ₹ 5/- each)	35		
Basic and Diluted		58.45	57.96
Material Accounting Policies	1		
Material accounting judgements, estimates and assumptions	2		

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162

Pune
Date : May 8, 2026

For and on behalf of the Board of Directors

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity Share Capital

(₹ in Million)

Particulars	Notes	No. of shares	Amount
As at March 31, 2024		**43,653,060**	**218.64**
Changes in equity share capital	13	—	—
As at March 31, 2025		**43,653,060**	**218.64**
Changes in equity share capital	13	—	—
As at March 31, 2026		**43,653,060**	**218.64**

B. Other Equity

(₹ in Million)

Particulars	Notes	Reserves and Surplus		Other Reserve	Other
		Retained Earnings	General Reserve	FVTOCI Equity	Equity Total
Balance as at April 1, 2024		**16,198.27**	**419.27**	**78.27**	**16,695.81**
Profit for the year		2,530.34	—	—	2,530.34
Other Comprehensive Income :					
Remeasurements of post-employment benefit plans (net of tax)	14	(9.73)	—	—	(9.73)
Transfer from OCI to retained earnings		(0.81)	—	0.81	—
Changes in fair value of equity instruments (compulsorily convertible debentures)		—	—	45.80	45.80
Equity Dividend for the year ended March 31, 2024		(436.53)	—	—	(436.53)
Total Income for the year		2,083.27	—	46.61	2,129.88
Balance as at March 31, 2025		**18,281.54**	**419.27**	**124.88**	**18,825.69**
Balance as at April 1, 2025		**18,281.54**	**419.27**	**124.88**	**18,825.69**
Profit for the year		2,551.37	—	—	2,551.37
Other Comprehensive Income :					
Remeasurements of post-employment benefit plans (net of tax)	14	(6.84)	—	—	(6.84)
Transfer from OCI to retained earnings		(31.32)	—	31.32	—
Changes in fair value of equity instruments (compulsorily convertible debentures)		—	—	(156.20)	(156.20)
Equity Dividend for the year ended March 31, 2025		(436.53)	—	—	(436.53)
Total Income for the year		2,076.68	—	(124.88)	1,951.80
Balance as at March 31, 2026		**20,358.22**	**419.27**	**—**	**20,777.49**

Material Accounting Policies 1

Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

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

(₹ in Million)

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash Flows from Operating Activities :		
Profit before income tax	**3,441.54**	**3,427.18**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization	570.39	633.88
Unrealized foreign exchange loss / (gain) etc., net	21.17	9.11
Interest expense	86.38	185.66
Profit on sale of property, plant and equipment	(3.82)	—
Profit on sale of Investment	(13.38)	(4.59)
Interest from deposits	(541.21)	(508.57)
Provisions written back	(2.51)	(7.47)
Fair value Loss / (Gain) on investments measured at FVTPL	(2.62)	(2.38)
Cash Generated from Operations before working capital changes	**3,555.94**	**3,732.82**
Adjustments for changes in working capital		
(Increase) / Decrease in inventories	137.90	(122.17)
(Increase) / Decrease in trade receivables	(649.94)	(105.22)
(Increase) / Decrease in other assets / other financial assets	(410.72)	219.20
Increase / (Decrease) in provisions	43.36	13.57
Increase / (Decrease) in trade payables	(360.78)	964.14
Increase / (Decrease) in other financial liabilities	11.28	43.70
Increase / (Decrease) in other current liabilities	(44.44)	(82.56)
Cash generated from Operations	**2,282.60**	**4,663.48**
Income tax paid (net of refunds)	(865.28)	(837.04)
Net Cash Flows from Operating Activities	**1,417.32**	**3,826.44**
B. Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress)	(614.32)	(251.09)
Sale of assets property, plant and equipment	4.52	1.50
Proceeds / (Investments) in deposits (net)	(921.00)	(1,538.24)
Proceeds from sale of Investment in Mutual Fund	9,307.91	3,085.87
Purchase of Investment in Mutual Fund	(9,294.53)	(3,084.85)
Interest received	539.65	429.67
Investment in Clean Renewable Energy	(81.24)	—
Purchase of Shares in subsidiary	(1.72)	—
Net Cash Flows from Investing Activities	**(1,060.73)**	**(1,357.14)**

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

(₹ in Million)

	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash Flows from Financing Activities		
Repayment of borrowings - Non-current (including current maturities)	—	(1,667.48)
Proceeds from borrowings - Current (including Bill Discounting)	15,450.21	35,249.00
Repayment of borrowings - Current (including Bill Discounting)	(15,075.93)	(35,167.91)
Interest paid	(358.64)	(496.49)
Dividend paid	(436.53)	(436.53)
Net Cash Flows from Financing Activities	**(420.89)**	**(2,519.41)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(64.30)**	**(50.11)**
Cash and cash equivalents at the beginning of the year (refer Note 11)*	**143.00**	**193.11**
Cash and cash equivalents at the end of the year (refer Note 11)*	**78.70**	**143.00**

* Excluding earmarked balances (on unclaimed dividend accounts)

1. Cash and Cash equivalents for the purpose of Cash Flow Statement

	Year ended March 31, 2026	Year ended March 31, 2025
Balances with Banks (refer Note 11)		
In cash credit and current accounts	78.70	143.00
Deposits with original maturity of less than three months	—	—
Cash on Hand	—	—
Total	**78.70**	**143.00**

2. Change in Liability Arising from Financing Activities

Particulars	**April 1, 2025**	**Cash flow**	**March 31, 2026**
Borrowing - Current (refer Note 20)	4,375.97	374.28	4,750.25
Total	**4,375.97**	**374.28**	**4,750.25**

Particulars	**April 1, 2024**	**Cash flow**	**March 31, 2025**
Borrowing - Non-Current (including current maturities) (refer Note 15)	1,667.48	(1,667.48)	—
Borrowing - Current (refer Note 20)	4,294.88	81.09	4,375.97
Total	**5,962.36**	**(1,586.39)**	**4,375.97**

3. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Material accounting policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

NOTES FORMING PART OF FINANCIAL STATEMENTS

(All amounts are in Rupees Million, except per share data and unless stated otherwise)

Background

Kalyani Steels Limited ("the Company") is a public limited company domiciled in India and incorporated in February, 1973 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of manufacture and sale of Iron and Steel Products. The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facility located at Hospet Works in Karnataka. The Registered Office of the Company is located at Mundhwa, Pune - 411 036. The CIN of the Company is L27104MH1973PLC016350.

These standalone financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorized for issue on May 8, 2026.

1 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and measurement

Compliance with Ind AS

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "financial statements").

Joint operations

Certain of the Company's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. As per Ind AS 111 - Joint arrangements, in its standalone financial statements, the Company being a joint operator has recognized its share of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners, along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

Historical cost convention

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

Current versus non-current classification

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

An asset is treated as current when it is :

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalents 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.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

A liability is current when :

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

The Company classifies all other liabilities as non-current.

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

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.

(b) Foreign currency translation

Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The standalone financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

Conversion

At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset. On transition to Ind AS, the Company has elected to continue the accounting policy adopted in its previous GAAP with respect to foreign exchange differences arising on long-term foreign currency monetary items related to a depreciable asset, existing as on March 31, 2017. Such exchange differences are adjusted to the cost of depreciable asset and depreciated over the balance life of the asset.

(c) Revenue from Contract with Customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of returns, trade allowances, rebates, value added taxes & goods and services tax offered by the Company as part of the contract.

Sale of goods and rendering of services

The Company manufactures and sells a range of steel and iron product in the market. Sales are recognized when control of the products has transferred at a point of time, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from services is recognized as the related services are performed.

(d) Other Income

Interest Income

Interest income from debt instruments is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis using the effective interest rate, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or where appropriate, a shorter period to that asset's net gross carrying amount.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(e) Taxes

Current income tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates (i.e. enacted or substantially enacted) and the provisions of the Income Tax Act, 1961. The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other Comprehensive Income or in Equity) in co-relation to the underlying transaction. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences 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, except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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 asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

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 tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Indirect taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of indirect taxes paid, except :

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

(f) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

(g) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before the payment of the consideration is due). Financial assets in the form of trade receivables that do not contain a significant financing component, determined in accordance with Ind AS 115 are initially measured at their transaction price.

Contract Liabilities (Advances from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration in the form of advance from the customer (or an amount of consideration is due). If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company fulfill the obligation as per the contract.

(h) Inventories

Cost of inventories include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are valued at cost or net realizable value whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at cost or net realizable value whichever is lower. Costs includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but does not include borrowing costs. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Materials-in-transit and materials in bonded warehouse are valued at actual cost incurred up to the date of balance sheet.

Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(i) Investment in subsidiary and associate

Equity investment in subsidiary and associate are accounted at cost less accumulated impairment.

(j) Fair value measurement

The Company measures financial instruments at fair value on initial recognition.

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.

The fair value of an asset or a 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.

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.

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.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole :

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets and liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(I) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met :

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income, if both of the following criteria are met :

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are de-recognized or re-classified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain / loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any financial asset as at fair value through profit or loss.

After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

Equity Instrument

Investment in equity instrument issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

De-recognition of financial assets

A financial asset is de-recognized when :

- The contractual rights to receive cash flows from the financial asset have expired or

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either :

  (a) The Company has transferred substantially all the risks and rewards of the asset or

  (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

- Financial assets that are debt instruments and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables
- Trade receivables or any contractual rights to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider :

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below :

- Financial assets measured as at amortized cost and contractual revenue receivables.

ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Company does not de-recognize impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e. financial assets which are credit impaired on purchase / origination.

(m) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss,

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below :

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Standalone embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of an new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(n) Loans and Borrowings at amortized Cost

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction cost, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(p) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(q) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowings costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection / relining is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Cost of assets not ready for use, as on Balance Sheet date, is shown as capital work-in-progress (CWIP), advances given towards acquisition of Property, plant and equipment outstanding at each Balance Sheet date are disclosed under non-current assets.

Subsequent costs are included in the asset's carrying amount as recognized as a standalone 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 accounted for a standalone asset is de-recognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

The useful lives has been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation is charged on the basis of useful life of assets on straight line method.

Useful life of following asset category is considered as per Schedule II of Companies Act, 2013 except MBF Relining.

For MBF Relining, useful life is considered based on past history of usage, supported by technical evaluation.

Asset Category	Life In Years
Factory Buildings	30
Office Building	60
Plant and Equipment - Continuous Process	20
Plant and Equipment - other than continuous process	13
Plant and Equipment - Power Plant	40
MBF Relining	4
Electrical Installations	10
Computers	3
Servers	6
Furniture and Fixtures	10
Office Equipment	5
Vehicles	8
Helicopter	20

Freehold land is carried at historical cost.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the standalone statement of profit and loss when the asset is de-recognized.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets of computer software is amortized over the useful economic life of six years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

(r) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Company after the reporting period.

(t) Provisions and contingent liabilities

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(u) Employee Benefits

(i) Short-term Employee Benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognized in the period in which the employee renders the related service.

(ii) Post-Employment benefits

1. Defined Contribution plan

The Company makes payment to approved superannuation schemes, state government provident fund scheme and employee state insurance scheme which are defined contribution plans. The contribution paid / payable under the schemes is recognized in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

2. Defined Benefit plan

The employees' gratuity fund scheme is Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

(iii) Long term Employment benefits

The employee's long term compensated absences are Company's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on a net basis.

In regard to other long term employment benefits, the Company recognizes the net total of service costs, net interest on the net defined benefit liability (asset) and re-measurements of the net defined benefit liability (asset) in the statement of profit and loss.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

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 the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Provident Fund

The Company operates two plans for its employees to provide employee benefits in the nature of provident fund.

The Company pays provident fund contributions to publicly administered provident funds as per regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

Superannuation

Retirement benefit in the form of superannuation plan is a defined contribution plan. Defined contributions to insurance Company for employees covered under Superannuation scheme are accounted at the rate of 15% of such employees' basic salary, restricted to ₹ 150,000/- p.a. The Company recognizes expense toward the contribution paid / payable to the defined contribution plan as and when an employee renders the relevant service. The Company has no obligation, other than the contribution payable to the superannuation fund.

iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates : (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Paid up equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Cash Flow Statement

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

(x) Dividends to equity holders of the Company

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(y) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted Earnings per Share

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 is adjusted for the effects of all dilutive potential equity shares.

(z) Rounding of amounts

All amounts disclosed in these standalone financial statements and notes have been rounded off to the nearest Million as per the requirement of Schedule III, unless otherwise stated.

2. Material accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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 :

1. Legal Contingencies

The Company has received various orders and notices from tax authorities in respect of direct and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and makes judgments for providing provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

2. Segment Reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in standalone financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD), based on its internal reporting structure and functions of the BoD. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

3. Joint operation

The Company's composite Steel manufacturing facility at Ginigera is under a strategic alliance arrangement with a joint venture partner. The facility is managed by Hospet Steels Limited. The alliance confers Kalyani Steels Limited (KSL) and Mukand Limited (ML) with rights to assets, obligations for liabilities, sharing of expenses / profit / loss in the proportion of product sharing ratio (viz. 41.38% by KSL and 58.62% by ML). Thus, KSL and ML have right to the assets and obligations for the liabilities of this arrangement. Thus, the strategic alliance is a joint arrangement in the nature of joint operation.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

1. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and benefit increases are based on expected future inflation rates. Further details about employee benefit obligations are given in Note 37.

2. Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments and estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 39 for further disclosures.

3. Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and estimates the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4. Deferred Tax

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 3 : Property, plant and equipment

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total	Capital work in progress
Gross Block as at March 31, 2024	**1,865.26**	**1,502.95**	**9,918.76**	**178.48**	**38.80**	**847.09**	**14,351.34**	**3,811.54**
Additions	—	—	66.01	6.51	0.64	—	73.16	179.12
Borrowing Cost Capitalized	—	—	—	—	—	—	—	313.79
Transfers	—	—	(536.33)	—	—	(2.25)	(538.58)	(9.53)
Disposals / Adjustments	—	—	—	—	—	—	—	—
Gross Block as at March 31, 2025	**1,865.26**	**1,502.95**	**9,448.44**	**184.99**	**39.44**	**844.84**	**13,885.92**	**4,294.92**
Additions	—	4.97	72.01	3.96	1.29	2.11	84.34	1,106.25
Borrowing Cost Capitalized	—	—	—	—	—	—	—	281.12
Transfers	—	—	—	—	—	—	—	(84.34)
Disposals / Adjustments	—	—	(21.54)	—	—	(23.56)	(45.10)	—
Gross Block as at March 31, 2026	**1,865.26**	**1,507.92**	**9,498.91**	**188.95**	**40.73**	**823.39**	**13,925.16**	**5,597.95**

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total
Accumulated Depreciation							
As at March 31, 2024	—	**552.26**	**6,245.03**	**136.15**	**29.38**	**52.80**	**7,015.62**
For the year	—	61.62	509.17	16.53	3.14	42.41	632.87
Disposals / Adjustments	—	—	(534.61)	—	—	(2.25)	(536.86)
As at March 31, 2025	—	**613.88**	**6,219.59**	**152.68**	**32.52**	**92.96**	**7,111.63**
For the period	—	54.46	454.70	15.79	1.73	42.26	568.94
Disposals / Adjustments	—	—	—	—	—	(22.84)	(22.84)
As at March 31, 2026	—	**668.34**	**6,674.29**	**168.47**	**34.25**	**112.38**	**7,657.73**

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total
Net Block							
As at March 31, 2025	**1,865.26**	**889.07**	**3,228.85**	**32.31**	**6.92**	**751.88**	**6,774.29**
As at March 31, 2026	**1,865.26**	**839.58**	**2,824.62**	**20.48**	**6.48**	**711.01**	**6,267.43**

i) For Depreciation and amortization refer accounting policy (refer Note 1).

ii) The Company had adopted deemed cost exemption under Ind AS 101, on transition date April 1, 2015. The information of Gross Block and accumulated depreciation as on April 1, 2015 is carried forward for disclosures.

iii) Capital work-in-progress as on March 31, 2026 mainly comprises acquisition of Kamineni Steel Plant.

iv) Contractual Obligations - Refer Note 36-B for disclosure of contractual commitments for the acquisition of Property, plant and equipment.

v) Property, plant and equipment pledged as security, refer Note 46.

vi) Title Deeds of Immovable properties are held in the name of the Company.

vii) The Company has not revalued any Property, plant and equipment during the year.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 3 : Property, plant and equipment (Continued)

viii) There are no proceeding which has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ix) Pursuant to the arbitration award dated February 9, 2026 in respect of contractual disputes with Dynepro Private Limited, the Company has recognized liquidated damages and compensation for delay aggregating to ₹ 21.54 Million as an adjustment to the cost of the relevant Property, plant and equipment. These amounts represent a contractual price adjustment arising from delays and performance deficiencies attributable to the vendor and are considered in the nature of rebates / compensation directly impacting the acquisition cost of the asset. Accordingly, in line with the principles of Ind AS 16, such amounts have been deducted from the gross carrying value of the assets. The Company has assessed that the said adjustments are directly attributable to the asset cost and do not represent income in nature.

x) CWIP Ageing Schedule as on March 31, 2026

(₹ in Million)

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	505.56	565.03	3,665.49	—	4,736.08
Others	839.05	22.82	—	—	861.87
Total	**1,344.61**	**587.85**	**3,665.49**	**—**	**5,597.95**

xi) Completion Schedule for Projects Overdue or Exceeded Cost Estimate as on March 31, 2026 :

(₹ in Million)

Project in progress	to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	—	—	—	—	—
Others	—	—	—	—	—
Total	**—**	**—**	**—**	**—**	**—**

xii) CWIP Ageing Schedule as on March 31, 2025 :

(₹ in Million)

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	565.03	3,665.49	—	—	4,230.52
Others	50.75	13.65	—	—	64.40
Total	**615.78**	**3,679.14**	**—**	**—**	**4,294.92**

xiii) Completion Schedule for Projects Overdue or Exceeded Cost Estimate as on March 31, 2025 :

(₹ in Million)

Project in progress	to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	—	—	—	—	—
Others	—	—	—	—	—
Total	**—**	**—**	**—**	**—**	**—**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 4 : Intangible assets

(₹ in Million)

Particulars	Computer software
Gross block as at March 31, 2024	**61.98**
Additions	2.56
Disposals / Adjustments	—
Gross block as at March 31, 2025	**64.54**
Additions	0.46
Disposals / Adjustments	—
Gross block as at March 31, 2026	**65.00**

(₹ in Million)

Particulars	Computer software
Accumulated Amortization :	
As at March 31, 2024	**59.35**
For the year	1.01
Disposals / Adjustments	—
As at March 31, 2025	**60.36**
For the period	1.42
Disposals / Adjustments	—
As at March 31, 2026	**61.78**

(₹ in Million)

Net Block	
As at March 31, 2025	**4.18**
As at March 31, 2026	**3.22**

i) Intangible Assets are amortized on Straight Line method.

ii) For Depreciation and amortization refer accounting policy (Note 1).

iii) The Company had adopted deemed cost exemption under Ind AS 101, on transition date April 1, 2015. The information of Gross Block and accumulated depreciation as on April 1, 2015 is carried forward for disclosures.

iv) The Company has not revalued its intangible asset during the year.

Note 5 (a) : Investment in Subsidiary and Associate

(₹ in Million)

Particulars	Face value per unit in ₹	Number of shares		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Investment in Associates (Unquoted) :					
Equity Shares in Associate at cost (fully paid)					
Kalyani Mukand Limited	10	1,000,000	1,000,000	10.05	10.05
				10.05	10.05
Aggregate provision for impairment in value of investments				(10.05)	(10.05)
Total				—	—
B. Investment in Subsidiaries where Company holds 51% or more of the Equity Share Capital (Unquoted) :					
Equity shares in Subsidiary valued at cost (fully paid) :					
Equity Shares in DGM Realties Private Limited	10	13,206,000	2,966,000	1,321.32	296.60
Aggregate provision for impairment in value of investments				—	—
Total				**1,321.32**	**296.60**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

Particulars	Face value per unit in ₹	Number of shares As at March 31, 2026	Number of shares As at March 31, 2025	Amount As at March 31, 2026	Amount As at March 31, 2025
C. Investment in Subsidiaries where Company holds 51% or more of the Equity Share Capital (Unquoted) :					
Convertible Debentures at fair value through other comprehensive income					
0% Fully Convertible Debentures in DGM Realties Private Limited	100	—	10,230,000	—	1,179.21
Aggregate provision for impairment in value of investments				—	—
Total				—	**1,179.21**
Total Non-current investments in Subsidiary and Associate (A + B + C)				**1,321.32**	**1,475.81**
Aggregate amount of quoted investments				—	—
Aggregate amount of unquoted investments				1,331.37	1,485.86
Aggregate amount of impairment in the value of investments				(10.05)	(10.05)

(a) Investment in Equity Shares of DGM Realties Private Limited

The Company has invested in Fully Convertible Debentures (FCDs) of DGM Realties Private Limited (DGM) of face value of ₹ 1,319.60 Million. As per the terms of allotment of the said FCDs, each FCD of ₹ 100/- each is convertible into 1 (One) Equity Share of ₹ 10/- each at a premium of ₹ 90/- per Share. On four tranches of conversion, 13,196,000 Equity Shares were allotted to the Company by DGM. During the year, the company acquired the remaining 10,000 equity shares of DGM resulting in holding 100% of the paid-up equity capital of DGM. Consequently, DGM has become wholly owned subsidiary of Company.

(b) Compliance with a number of layers

The Company has invested funds in Subsidiaries & Associates directly. The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

Note 5 (b) Non-current investments

(₹ in Million)

Particulars	Face value per unit in ₹	Number of shares / Debentures As at March 31, 2026	Number of shares / Debentures As at March 31, 2025	Amount As at March 31, 2026	Amount As at March 31, 2025
Investments in Preference shares (Unquoted) :					
Investments at fair value through profit or loss (fully paid)					
10% Non-Cumulative Redeemable in Baramati Speciality Steels Limited	10	5,926,000	5,926,000	28.83	26.20
Total (a)				**28.83**	**26.20**
Investments in Others at fair value through profit or loss :					
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1A Private Limited	10	1,857,223	—	51.89	—
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1B Private Limited	10	1,034,453	—	29.35	—
Less : Provision for impairment in value of investments				—	—
Total (b)				**81.24**	**—**
Total (a+b)				**110.07**	**26.20**
Aggregate provision for impairment in value of investments				—	—
Total				**110.07**	**26.20**
Total Non-current investments				**110.07**	**26.20**
Aggregate amount of quoted investments				—	—
Aggregate amount of unquoted investments				110.07	26.20
Aggregate amount of impairment in the value of investments				—	—

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(a) Investment in Equity Shares of Clean Renewable Energy KK1A Private Limited

The Company has invested in 1,857,223 equity shares of face value ₹ 10/- each, at a premium of ₹ 17.94/- per share, in Clean Renewable Energy KK1A Private Limited. As a result of this investment, the Company holds 8.64% equity stake in Clean Renewable Energy KK1A Private Limited for captive use of electricity generated in the captive power plant.

(b) Investment in Equity Shares of Clean Renewable Energy KK1B Private Limited

The Company has invested in 1,034,453 equity shares of face value ₹ 10/- each, at a premium of ₹ 18.37/- per share, in Clean Renewable Energy KK1B Private Limited. As a result of this investment, the Company holds 4.85% equity stake in Clean Renewable Energy KK1B Private Limited for captive use of electricity generated in the captive power plant.

Note 6 : Other financial assets

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits		
Unsecured, considered good	153.42	137.63
Unsecured, considered doubtful	2.09	2.09
Less : Allowance for credit losses	(2.09)	(2.09)
Bank deposits with maturity more than twelve months	160.08	0.80
Total	**313.50**	**138.43**

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on fixed deposits	297.95	296.39
Other Receivables	50.93	7.72
Total	**348.88**	**304.11**

Note 7 : Non-Current Income tax assets (net)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax paid in advance (net of provisions)	7.07	7.07
Total	**7.07**	**7.07**

Note 8 : Other assets

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances		
Considered good	7.91	58.92
Balances with government authorities		
Considered good	560.93	553.51
Considered doubtful	—	—
Less : Allowance for losses	—	—
Prepaid expenses	1.34	6.94
Total	**570.18**	**619.37**

No advances are due from Directors or other officers of the Company, firms in which a Director is a partner or private companies in which Director is a Director or a member either severally or jointly with any other person except disclosed in Note 38.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	55.96	55.42
Advance to suppliers		
Considered good	476.20	186.00
Considered doubtful	5.09	5.09
Less : Allowance for losses	(5.09)	(5.09)
Balances with government authorities	120.37	61.42
Other advances	0.92	0.72
Total	**653.45**	**303.56**

Note 9 : Inventories

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(at lower of cost or net realizable value)		
Raw materials*	1,090.93	1,243.62
Work-in-progress (includes items lying with third parties)	173.79	137.39
Finished goods (includes items lying with third parties)	217.06	256.67
Finished goods (in transit)	321.13	315.34
	538.19	572.01
Scrap at estimated realizable value	5.64	1.00
Stores and spares	200.02	192.45
Total	**2,008.57**	**2,146.47**

* includes goods in transit as on March 31, 2026 ₹ Nil (March 31, 2025 ₹ Nil)

Note : 1. The value of inventories above is stated after write down of ₹ 13.74 Million (March 31, 2025 : ₹ 14.51 Million) to net realizable value.

2. Inventory hypothecated as security, refer Note 46.

a) Details of raw material inventory

(₹ in Million)

As at March 31, 2026	MTs	Amount
Coke / Coal / Coke Fines	31,137	644.47
Iron Ore / Iron Ore Fines / Mill Scale	18,355	106.06
Ferro Alloys		215.36
Others		125.04
Total		**1,090.93**

(₹ in Million)

As at March 31, 2025	MTs	Amount
Coke / Coal / Coke Fines	38,696	778.41
Iron Ore / Iron Ore Fines / Mill Scale	41,117	282.17
Ferro Alloys		131.52
Others		51.52
Total		**1,243.62**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

b) Details of work-in-progress

(₹ in Million)

As at March 31, 2026	MTs	Amount
Blooms & Rounds	2,646	155.23
Others		18.56
Total		**173.79**

(₹ in Million)

As at March 31, 2025	MTs	Amount
Blooms & Rounds	2,630	118.36
Others		19.03
Total		**137.39**

c) Details of finished goods

(₹ in Million)

As at March 31, 2026	MTs	Amount
Rolled Products	10,661	538.19
Others (Scrap)		5.64
Total		**543.83**

(₹ in Million)

As at March 31, 2025	MTs	Amount
Rolled Products	10,651	572.01
Others (Scrap)		1.00
Total		**573.01**

Note 10 : Trade receivables

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivable	2,225.74	1,390.36
Receivables from related parties (Refer Note 38)	2,764.38	2,949.82
Less : Allowance for doubtful debts	(26.73)	(26.73)
	4,963.39	4,313.45
Break up of security details		
Secured, considered good	—	—
Unsecured, considered good	4,963.39	4,313.45
Doubtful	26.73	26.73
Total	4,990.12	4,340.18
Allowance for doubtful debts	(26.73)	(26.73)
Total	**4,963.39**	**4,313.45**

1. Trade receivable are non-interest bearing and are generally on terms of 30-90 days upon delivery.
2. The amount receivable from related parties is disclosed net of advance of ₹ 470 Million (March 31, 2025 : ₹ 470 Million) as the company has a legally enforceable right to set off the said advance against the receivable and the company intends to do so.
3. For details of debts due from companies in which any Director is a partner, a director or a member, refer Note 38 of related party transactions.
4. No Trade Receivable are due from Directors or other officers of the company either severally or jointly.
5. Expected credit loss for Trade Receivables under simplified approach.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered goods - Secured	—	—
Considered goods - Unsecured	4,990.12	4,340.18
Trade Receivables which have significant increase in credit risk	—	—
Trade Receivables - Credit Impaired	26.73	26.73
Expected loss rate	0.54%	0.62%
Expected credit losses (loss allowance provision)	26.73	26.73
Carrying amount of trade receivables (net of impairment)	**4,963.39**	**4,313.45**

Trade receivables ageing schedule as at March 31, 2026

(₹ in Million)

Particulars	Outstanding for following period from Due Date of Payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered Good	3,891.77	1,583.77	—	—	—	—	5,475.54
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - Considered Not Good	—	—	—	—	—	26.73	26.73
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	**3,891.77**	**1,583.77**	**—**	**—**	**—**	**26.73**	**5,502.27**
Unbilled							(512.15)
Loss Allowance							(26.73)
Net Trade Receivables							**4,963.39**

Trade receivables ageing schedule as at March 31, 2025

(₹ in Million)

Particulars	Outstanding for following period from Due Date of Payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered Good	4,219.68	680.49	—	—	0.24	—	4,900.41
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - Considered Not Good	—	—	—	—	—	26.73	26.73
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	**4,219.68**	**680.49**	**—**	**—**	**0.24**	**26.73**	**4,927.14**
Unbilled							(586.96)
Loss Allowance							(26.73)
Net Trade Receivables							**4,313.45**

From opening balances of Unbilled revenue, Amount of ₹ 296.30 Million has been recognized as revenue during the year 2025-26 (Previous Year ₹ 259.53 Million).

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

6. The amount repayable under the bill discounting arrangement is presented as borrowing. The relevant carrying amounts are as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Transferred receivables	2,680.26	2,840.97
Associated secured & unsecured borrowing (bank loans - refer Note 20)	2,680.26	2,840.97

Note 11 : Cash and cash equivalents

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	—	—
Cheque in hand	9.56	—
Balances with Banks		
In current and cash credit accounts	69.15	143.00
In deposit accounts		
Term deposits with original maturity of less than three months	687.70	—
Total	**766.41**	**143.00**

Note 12 : Bank balances other than cash and cash equivalents

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Earmarked balances (unclaimed dividend accounts)	12.66	12.65
Deposits with original maturity of more than three months but less than twelve months	6,960.43	6,886.41
Total	**6,973.09**	**6,899.06**

Note 13 : Share capital

(a) Authorized share capital

Particulars	Equity shares	Cumulative redeemable preference shares	Unclassified shares
As at March 31, 2025 :			
Number of shares	95,000,000	3,010,000	2,400,000
Face value per share	₹ 5/-	₹ 100/-	₹ 10/-
Amount (₹ in Million)	475.00	301.00	24.00
As at March 31, 2026 :			
Number of shares	95,000,000	3,010,000	2,400,000
Face value per share	₹ 5/-	₹ 100/-	₹ 10/-
Amount (₹ in Million)	475.00	301.00	24.00

(b) Terms / rights attached to equity shares

The Company has only one class of issued equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(c) Issued and subscribed equity share capital

(₹ in Million)

Particulars	Number of shares	Amount
As at March 31, 2024	43,759,380	218.80
Changes in equity share capital	—	—
As at March 31, 2025	43,759,380	218.80
Changes in equity share capital	—	—
As at March 31, 2026	43,759,380	218.80

(d) Subscribed and fully paid up equity share capital

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Equity Shares of ₹ 5/- each fully paid	218.27	218.27
Add : Forfeited Equity Shares (amount paid up)	0.37	0.37
Subscribed and paid up equity share capital	**218.64**	**218.64**
Number of equity shares of ₹ 5/- each fully paid	43,653,060	43,653,060
Add : Forfeited Equity Shares	106,320	106,320
Number of shares	**43,759,380**	**43,759,380**

(e) Details of shareholders holding more than 5% Equity Shares in the Company

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited	BF Investment Limited	DSP Small Capital Fund	Quant Mutual Fund A/C Quant Infrastructure Fund
As at March 31, 2025					
% of holding	7.47%	17.79%	39.06%	3.99%	5.99%
Number of shares	3,261,822	7,766,758	17,052,421	1,741,701	2,612,877
As at March 31, 2026					
% of holding	7.47%	17.79%	39.06%	3.89%	5.99%
Number of shares	3,261,822	7,766,758	17,052,421	1,700,000	2,612,877

(F) Details of Equity Shares held by Promoter and Promoter Group

Name of the Promoter / Promoter Group Member	As at March 31, 2026		As at March 31, 2025		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr.B.N. Kalyani	1,118	—	1,118	—	—
Mrs.Sunita B. Kalyani	54,650	0.13	54,650	0.13	—
Mr.Amit B. Kalyani	31,644	0.07	31,644	0.07	—
Mrs.Deeksha A. Kalyani	50	—	50	—	—
Mrs.Sugandha J. Hiremath & Mr.Jai V. Hiremath	3,179	0.01	3,179	0.01	—
Ajinkya Investment & Trading Company	3,261,822	7.47	3,261,822	7.47	—
Sundaram Trading & Investment Private Limited	7,766,758	17.79	7,766,758	17.79	—
Ajinkyatara Trading Company Limited	2,560	0.01	2,560	0.01	—
KSMS Technologies Solutions Private Limited	70,000	0.16	70,000	0.16	—
BF Investment Limited	17,052,421	39.06	17,052,421	39.06	—
Babasaheb Kalyani Family Trust	—	—	—	—	—
Total	**28,244,202**	**64.70**	**28,244,202**	**64.70**	—

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 14 : Other equity

(₹ in Million)

Particulars		As at March 31, 2026	As at March 31, 2025
A) Reserves and Surplus			
i) Retained earnings in the statement of profit & loss			
Balance at the beginning of the year		18,281.54	16,198.27
Add : Profit for the year		2,551.37	2,530.34
Add : Other Comprehensive Income being remeasurements of post-employment benefit plans (net of tax)		(6.84)	(9.73)
Transfer from OCI to retained earnings		(31.32)	(0.81)
	Total	2,513.21	2,519.80
Less :			
Final equity dividend of previous year		436.53	436.53
	Total	436.53	436.53
Balance at the end of the year		**20,358.22**	**18,281.54**
ii) General reserve			
Balance at the beginning and end of the year		**419.27**	**419.27**
B) Other reserve			
FVTOCI Equity investment reserve			
Balance at the beginning of the year		124.88	78.27
Fair value changes for the year		—	48.76
OCI on conversion of debentures in equity shares		(156.20)	(2.96)
Transfer of OCI to retained earnings		31.32	0.81
Balance at the end of the year		—	124.88
	Total	**20,777.49**	**18,825.69**

Nature and purpose of reserves :

i) Retained earnings in the statement of profit & loss

Surplus in statement of profit & loss represents the undistributed profit of the company as on balance sheet date.

ii) General reserve

Under the erstwhile Companies Act,1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

iii) FVTOCI Equity investment reserve

The Company has elected to recognize changes in the fair value of investment in compulsorily convertible debentures in other comprehensive income being in substance equity instruments. These changes are accumulated within the FVTOCI investment reserve within equity. The Company has transferred amounts from the said reserve to retained earnings when the relevant debentures are de-recognized.

iv) Dividend distribution made and proposed :

(₹ in Million)

Particulars	2025-26	2024-25
Cash Dividend on Equity shares declared and paid		
Final Dividend :		
For the year ended March 31, 2025 : ₹ 10/- per equity share (March 31, 2024 : ₹ 10/- per equity share)	**436.53**	436.53
Proposed dividends on Equity Shares		
Final Dividend :		
For the year ended March 31, 2026 : ₹ 10/- per equity share (March 31, 2025 : ₹ 10 /- per equity share)	**436.53**	436.53

Proposed dividend on equity shares is subject to approval of the shareholders of the Company at the annual general meeting and is not recognized as a liability as at year end.

The Company has complied with the provisions of Section 123 of the Companies Act, 2013 related to dividend declared and paid.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 15 : Non-current borrowings

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured : Foreign currency term loans from bank	—	—
Total non-current borrowings	—	—
Less: amount disclosed as current maturities of non-current borrowings (refer Note 20)	—	—
Total current maturities of non-current borrowings	—	—
Total	—	—

Note 16 : Other Non-Current financial liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Creditors for capital goods*	**581.18**	212.68
Total	**581.18**	212.68

*reclassified as non-current considering payment is subject to fulfilment of certain conditions.

Note 17 : Other Current financial liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due	14.32	5.46
Forward Contract Liability	—	14.67
Unclaimed dividend payable	12.66	12.65
Creditors for capital goods	112.12	60.76
Employee benefits payable	179.30	153.36
Total	**318.40**	**246.90**

Note 18 : Provisions

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefit (Refer Note 37)		
Provision for compensated absences	83.26	61.08
Total	**83.26**	**61.08**

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for gratuity	50.34	23.64
Provision for compensated absences	25.34	21.72
Total	**75.68**	**45.36**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 19 : Deferred tax liabilities (net)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Depreciation and amortization	296.01	279.37
Total deferred tax liabilities	296.01	279.37
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act	27.72	17.27
Provision for doubtful debts	6.73	6.73
Other Comprehensive income	8.51	6.21
Fair valuation of investment	7.66	8.32
Total deferred tax assets	50.62	38.53
Total	**245.39**	**240.84**

Changes in Deferred Tax Assets / (Liabilities) in Statement of Profit and Loss [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Depreciation and amortization	(16.64)	(43.51)
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act	10.44	4.87
Fair valuation of investment	(0.66)	(0.60)
Total	**(6.86)**	**(39.24)**

Changes in Deferred Tax Assets / (Liabilities) in Other Comprehensive income [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Remeasurements of post-employment benefit plans	2.30	3.27
Total	**2.30**	**3.27**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 20 : Current borrowings

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured borrowing from bank		
Short Term Loan from Banks**	1,480.00	1,000.00
Bill Discounting with banks*	2,235.02	2,391.20
Secured borrowing from bank		
Short Term Loan from Banks**	589.99	535.00
Bill Discounting with Bank*	445.24	449.77
Total	**4,750.25**	**4,375.97**

* Bill Discounting : The Company has availed unsecured Bill Discounting facilities from various banks, which are repayable within 90 days. The applicable average interest rate is between 6.10% - 6.75% p.a. (previous year 7.50% p.a.)
The Company has also availed secured Bill Discounting facilities from Union Bank of India which are repayable within 90 days. The applicable average interest rate is between 6.10% - 6.75% p.a. (previous year 7.50% p.a.) against the hypothecation of Stock & Book Debts.

** Short term Loans : The Company has availed secured working capital demand loans (short term loans) facilities from various banks, which are repayable up to 90 days. The applicable average interest rate is between 6.15% - 7.50% p.a. (previous year 7.50% p.a.) against the hypothecation of Stock & Book Debts.
The company has also availed unsecured working capital demand loans (short term loans) facilities from Yes Bank Limited & Axis Bank Limited which are repayable up to 90 days. The applicable average interest rate is between 6.15% - 6.75% p.a. (previous year 7.50% p.a.)

The Company does not have any charges or satisfaction which is yet to be registered with the ROC beyond the statutory period.

Note 21 : Trade payables

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	118.52	240.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Acceptances (see note (i) below)	1,042.77	1,398.82
ii) Related Parties (Refer Note 38)	102.20	125.50
iii) Others	1,424.57	1,265.17
Total	**2,688.06**	**3,030.18**

i) Acceptances include credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are payable within one year.

ii) Trade payables are non interest bearing and generally settled within 90 days.

iii) The Company has compiled this information based on the current information in its possession as at March 31, 2026.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows :

(₹ in Million)

Dues to Micro, Small and Medium Enterprises (MSMEs)	As at March 31, 2026	As at March 31, 2025
Total amount dues to MSMEs as on Balance Sheet date		
- Principal amount due to MSMEs	118.52	240.69
- Interest on principal amount due to MSMEs	0.11	0.11
Total delayed payments to MSMEs during the year		
- Principal amount	—	—
- Interest on Principal amount	—	—
Total amount of interest paid to MSMEs during the year	—	—
Total interest accrued and remaining unpaid at the end of the year under MSMED Act	0.11	0.11
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23	0.11	0.11

Trade payables ageing schedule as at March 31, 2026

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	101.24	16.11	1.17	—	—	118.52
(ii) Others	1,741.25	331.55	3.38	0.91	1.18	2,078.27
(iii) Disputed Dues - MSME	—	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—	—
Total	**1,842.49**	**347.66**	**4.55**	**0.91**	**1.18**	**2,196.79**
(v) Unbilled Dues*						491.27
Total						**2,688.06**

* Unbilled represent accruals for expenses.

Trade payables ageing schedule as at March 31, 2025

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	230.03	10.53	0.01	0.13	—	240.70
(ii) Others	2,123.22	217.72	0.47	0.92	1.22	2,343.55
(iii) Disputed Dues - MSME	—	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—	—
Total	**2,353.25**	**228.25**	**0.48**	**1.05**	**1.22**	**2,584.25**
(v) Unbilled Dues*	—					445.93
Total						**3,030.18**

* Unbilled represent accruals for expenses.

Note 22 : Other current liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	58.26	106.02
Contract liabilities (advances from customers)	14.09	10.77
Total	**72.35**	**116.79**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Movement of contract liabilities for the reporting period given below :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Contract Liabilities at the beginning of the year	**10.77**	**18.37**
Add / (Less) :		
Consideration received during the year as advance	387.52	749.24
Written back / refund / cancellation	(3.91)	(0.36)
Revenue recognized from contract liability	(380.29)	(756.48)
Contract Liabilities at the end of the year	**14.09**	**10.77**

Note 23 : Current tax liabilities (net)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance tax)	93.83	75.79
Total	**93.83**	**75.79**

Note 24 : Revenue from operations

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of Products		
Finished Goods	17,509.05	18,473.96
Traded Goods	623.35	1,097.37
Other Operating Revenue		
Miscellaneous Sales	315.59	236.89
Sale of Electricity	0.21	0.81
Export incentives	3.70	—
Processing charges for job work	1.66	2.54
Provisions written back	2.51	7.47
Total	**18,456.07**	**19,819.04**

Details of finished goods sold

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Foundry Coke & BF Coke	20,809	663.54
Blooms and Rounds	17,243	1,188.61
Rolled Products	218,187	15,656.90
Total		**17,509.05**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Foundry Coke	19,391	628.38
Pig Iron	2,542	97.23
Blooms and Rounds	16,860	1,403.81
Rolled Products	218,709	16,344.54
Total		**18,473.96**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Details of traded goods sold

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Rolled Products	7,958	623.35
Total		**623.35**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Rolled Products	14,262	1,097.37
Total		**1,097.37**

Reconciliation of contract price with revenue

(₹ in Million)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Contract price	18,134.27	19,577.67
Adjustment for :		
Contract liabilities : Discounts, incentives & late delivery charges	—	(2.99)
Revenue from contracts with customers	**18,134.27**	**19,574.68**

Details of amount of revenue recognized from opening contract liabilities

(₹ in Million)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Contract liabilities at the beginning of the year	10.77	18.37
Revenue recognized from opening contract liabilities	6.33	15.17

Note 25 : Other income

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest from deposits and loans, being financial assets carried at amortized cost	541.21	508.57
Gain on foreign exchange (net)	—	—
Profit on sale of Investments measured at FVTPL	13.38	4.59
Profit on sale of Property, plant and equipment	3.82	—
Net gain / (loss) on Investments measured at FVTPL	2.62	2.38
Miscellaneous receipts*	3.37	1.17
Total	**564.40**	**516.71**

*Miscellaneous receipts includes cash discount received etc.

Note 26 : Cost of raw materials consumed

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw material at the beginning of the year	1,243.62	1,057.14
Add : Purchases	9,441.89	10,529.18
Less : Sale of Raw material	—	3.90
Less : Raw material at the end of the year	1,090.93	1,243.62
Total	**9,594.58**	**10,338.80**

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Details of raw materials consumed

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Coke / Coal / Coke Fines	161,618	4,671.10
Iron Ore / Iron Ore Fines / Mill Scale	381,298	2,443.82
Ferro Alloys		1,914.60
Others		565.06
Total		**9,594.58**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Coke / Coal / Coke Fines	165,493	5,436.26
Iron Ore / Iron Ore Fines / Mill Scale	392,876	2,584.29
Ferro Alloys		2,018.06
Others		300.19
Total		**10,338.80**

Note 27 : Purchases of traded goods

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rolled Products	583.91	1,035.77
Total	**583.91**	**1,035.77**

Note 28 : Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the end of the year		
Work in Progress	173.79	137.39
Finished Goods	538.19	572.01
Scrap at estimated realizable value	5.64	1.00
	717.62	710.40
Inventories at the beginning of the year		
Work in Progress	137.39	245.92
Finished Goods	572.01	548.26
Scrap at estimated realizable value	1.00	5.01
	710.40	799.19
Total	**(7.22)**	**88.79**

Note 29 : Employee benefits expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	787.03	732.15
Gratuity (refer Note 37)	16.71	14.44
Contribution to provident fund and other funds*	34.97	50.58
Workmen and staff welfare expenses	28.89	35.79
Total	**867.60**	**832.96**

* Other funds include contribution towards employee state insurance scheme and profession tax.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 30 : Finance costs

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses	76.01	177.27
Other borrowing costs*	10.37	8.39
Total	**86.38**	**185.66**

* Other borrowing costs includes L/C charges, Bank processing charges etc.

Note 31 : Depreciation and amortization expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, plant and equipment (refer Note 3)	568.97	632.87
Amortization of intangible assets (refer Note 4)	1.42	1.01
Total	**570.39**	**633.88**

Note 32 : Other expenses

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Manufacturing expenses :		
Stores and spares consumed	1,651.89	1,536.58
Job work and manufacturing charges	629.80	629.27
Power and fuel	347.58	394.07
Building and road repairs	16.06	30.01
Machinery repairs	115.85	133.71
Facility charges under strategic alliance	58.08	58.08
Total (a)	**2,819.26**	**2,781.72**
b) Other expenses :		
Rent (short term or low value)	1.03	1.14
Rates and taxes	28.18	2.88
Insurance	40.18	31.03
Legal and Professional charges	37.22	37.65
Travelling and conveyance	31.33	32.33
Security Services	19.41	18.42
Branding Fees	60.88	64.10
CSR expenditure (refer Note 43)	60.63	59.00
Donations	0.50	50.40
Freight outward	469.13	474.65
Brokerage and commission	5.71	5.52
Payment to auditors (refer Note 33)	4.89	4.38
Directors' fees and travelling expenses	1.55	1.44
Directors' commission	36.65	36.75
Loss on Foreign Exchange Fluctuation (net)	18.31	5.00
Miscellaneous expenses*	169.17	186.30
Total (b)	**984.77**	**1,010.99**
Total (a + b)	**3,804.03**	**3,792.71**

* Miscellaneous expenses includes computer software charges, printing, stationery, postage, telephone etc.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 33 : Payment to auditors

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statutory audit	2.00	1.80
Tax audit	0.30	0.30
Limited reviews	1.88	1.80
Certifications	0.31	0.43
Out of pocket expenses reimbursed	0.40	0.05
Total	**4.89**	**4.38**

Note 34 : Income tax expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense	881.50	851.50
Deferred tax expense	6.86	39.24
Taxation in respect of earlier years	1.81	6.10
Total	**890.17**	**896.84**

Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	3,441.54	3,427.18
Applicable Statutory tax rate	25.168%	25.168%
Computed tax expense	866.17	862.55
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
CSR Expenses	15.26	14.85
Donation	0.13	12.68
Taxation in respect of earlier years	1.81	6.10
Disallowance under Section 37	7.07	—
Others	(0.27)	0.66
Income tax expense	**890.17**	**896.84**

Note 35 : Earnings per Share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net profit after tax (₹ in Million)	2,551.37	2,530.34
Weighted average number of equity shares	43,653,060	43,653,060
Basic and diluted earning per share of nominal value of ₹ 5/- each	**58.45**	**57.96**

The Company does not have any potential equity shares that would have a dilutive effect on the Earnings Per Share.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 36 : Contingencies and commitments

A Contingent liabilities

(₹ in Million)

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	Claims against the Company not acknowledged as debts	102.57	99.11
ii)	Customs duty, excise duty and service tax, Goods and Service Tax - matters under appeal	362.26	256.00
iii)	Income tax matters under appeal	49.45	55.73
iv)	Iron ore supplier- rate difference claim - disputed	255.20	255.20
v)	Reimbursement for Forest Development Tax on Iron Ore claimed by supplier	33.49	33.49
vi)	Forest Development Tax / Fees*	1,364.50	1,159.17
	Total	**2,167.47**	**1,858.70**

* In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated December 3, 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognized provision for FDT of ₹ 1,364.50 Million as at March 31, 2026 (₹ 1,159.17 Million as at March 31, 2025) and treated it as a contingent liability.

B Capital and other commitments

(₹ in Million)

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)	181.77	361.69
2	Other Commitments on account of :		
	a) Purchase of Raw Material through E-Auction	—	46.11
	b) Supply of Gases - Minimum Take over Price	87.11	145.19
	Total	**268.88**	**552.99**

Note 37 : Provision for Employee benefits

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Compensated absences (refer Note A)		
Non-current	83.26	61.08
Current	25.34	21.72
Gratuity (refer Note B)		
Current	50.34	23.64

A) Compensated absences

The compensated absences cover the Company's liability for privilege leave.

I) Significant assumptions

The significant actuarial assumptions were as follows :

Kalyani Steels Limited

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.60%
Salary escalation rate	8.00%	9.00%
Retirement age	VP and above - 60 years Wholetime Director - 73 years Others - 55 years	VP and above - 60 years Wholetime Director - 73 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	10.00%	16.00%

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Hospet Steels Limited (Joint Operation)

Particulars	March 31, 2026	March 31, 2025
Discount rate	6.70%	6.80%
Salary escalation rate	6.00%	7.00%
Retirement age	Staff - 58 years Workers - 60 years	Staff - 58 years Workers - 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	9.00%	9.00%

B) Gratuity

The Company has formed "Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme" to manage its gratuity obligations. The joint operation at Hospet Steels Limited has formed "Hospet Steels Employees Gratuity Trust" to manage its gratuity obligations. The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance company - Life Insurance Corporation of India. Every permanent employee is entitled to a benefit as per policy of the Company of the last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. There is no compulsion on the part of the Company to fully pre-fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity as well as level of under funding of the plan.

I) The amounts recognized in balance sheet and movements in the net benefit obligation over the year are as follows :

(₹ in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**190.10**	**(177.43)**	**12.67**
Current service cost	14.15	—	14.15
Interest expense / (income)	13.27	(12.98)	0.29
Total amount recognized in Statement of Profit and Loss	27.42	(12.98)	14.44
Experience gain / loss	13.87	(0.87)	13.00
Total amount recognized in Other Comprehensive Income	13.87	(0.87)	13.00
Benefits paid	(11.89)	11.89	—
Contribution	—	(16.97)	(16.97)
Mortality	—	0.50	0.50
March 31, 2025	**219.50**	**(195.86)**	**23.64**
Provision for Gratuity refer Note 18(b)			23.64

(₹ in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2025	**219.50**	**(195.86)**	**23.64**
Current service cost	17.12	—	17.12
Past service cost	58.57	—	58.57
Interest expense / (income)	14.09	(14.50)	(0.41)
Total amount recognized in Statement of Profit and Loss	89.78	(14.50)	75.28
Experience gain / loss	10.87	(1.77)	9.10
Total amount recognized in Other Comprehensive Income	10.87	(1.77)	9.10
Benefits paid	(17.41)	11.85	(5.56)
Contribution	—	(52.72)	(52.72)
Mortality	—	0.59	0.59
March 31, 2026	**302.74**	**(252.41)**	**50.33**
Provision for Gratuity refer Note 18(b)			50.33

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

II) The net liability disclosed above relates to funded plans (including Joint Operations) are as follows :

(₹ in Million)

Particulars	March 31, 2026	March 31, 2025
Present value of funded obligation	302.74	219.50
Fair value of plan assets	(252.41)	(195.86)
Deficit of funded plan	**50.33**	**23.64**

III) Significant estimates :

The significant actuarial assumptions were as follows :

Kalyani Steels Limited

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.60%
Salary growth rate	8.00%	9.00%
Attrition rate	10.00%	16.00%
Retirement age	M1 category - 60 years Wholetime Director - 73 years Others - 55 years	M1 category - 60 years Wholetime Director - 73 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Hospet Steels Limited (Joint operation)

Particulars	March 31, 2026	March 31, 2025
Discount rate	6.70%	7.20%
Salary growth rate	6.00%	8.00%
Attrition rate	9.00%	9.00%
Retirement age	Staff - 58 years Workers - 60 years	Staff - 58 years Workers - 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

IV) Sensitivity analysis :

The sensitivity of defined obligation to changes in the weighted principal assumptions (including Joint Operations) is :

(₹ in Million)

Assumption	Impact on defined benefit obligation	
	March 31, 2026	March 31, 2025
Discount rate		
1% decrease	11.58	8.47
1% increase	(10.68)	(7.80)
Future salary increase		
1% decrease	(8.59)	(6.16)
1% increase	9.12	6.54
Attrition rate		
1% decrease	0.18	0.38
1% increase	(0.17)	(0.35)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognized in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

The following payments are expected future benefit payments (including Joint Operations) :

(₹ in Million)

Particulars	March 31, 2026	March 31, 2025
Less than a year	94.66	71.18
Between 1 - 2 years	33.52	27.52
Between 2 - 5 years	161.78	87.88
Over 5 years	122.71	111.76
Total	**412.67**	**298.34**

The weighted duration of the defined obligation is 10.68 years (March 31, 2025 - 8.84 years)

V) The major categories of plan assets are as follows :

Particulars	March 31, 2026	March 31, 2025
Unquoted - Insurer managed funds*	100.00%	100.00%

*The Company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2026 is considered to be the fair value.

VI) The Company expects to contribute ₹ 35.93 Million to the gratuity fund in the next year.

C) Superannuation plan

The Company and its Joint Operation has formed "Kalyani Steels Limited Officers' Superannuation Scheme" and "Hospet Steels Limited Employees Superannuation Trust" respectively to manage its superannuation scheme through Life Insurance Corporation of India. Contributions are made at 15% of basic salary for employees covered under the superannuation scheme. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 12.81 Million (March 31, 2025 : ₹ 12.36 Million).

D) Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility : All plan assets for gratuity and superannuation are maintained in a trust managed by a public sector insurer viz, LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

Asset volatility risk for provident fund : The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income fund, manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of plans' bond holdings.

Life expectancy : This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Future salary increase and inflation risk : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 38 : Related party transactions

A) Name of the related parties and nature of relationship

(i) Where control exists

Subsidiary	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
DGM Realties Private Limited	100.00%	99.66%

The principal place of business of the subsidiary is India and the Company had accounted for its investment in subsidiary at cost.

Joint operation	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Hospet Steels Limited	49.99%	49.99%

The principal place of business of the joint operation is India. The principal business is to act as a management company for strategic alliance arrangement between Kalyani Steels Limited and Mukand Limited.

Other related parties

a) Structured entities

i) Kalyani Steels Limited Non Bargainable Staff Provident Fund
ii) Kalyani Steels Limited Officers' Superannuation Scheme
iii) Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme
iv) Hospet Steels Employees Gratuity Trust
v) Hospet Steels Limited Employees Superannuation Trust

b) Enterprise where in the Company is an Associate :

i) BF Investment Limited

c)

Associate	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Kalyani Mukand Limited	50.00%	50.00%

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

B) Other related parties with whom transactions have taken place during the year :

Entities under common control

i) Bharat Forge Limited
ii) Kalyani Technoforge Limited
iii) Kalyani Transmission Technologies Private Limited
iv) Saarloha Advanced Materials Private Limited
v) Baramati Speciality Steels Limited
vi) Kalyani Investment Company Limited

C) Promoter / Promoter Group having 10% or more shareholding

i) Sundaram Trading & Investment Private Limited
ii) BF Investment Limited

Key Management Personnel

i) Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director
ii) Mrs.Sunita B. Kalyani, Non-Executive Director
iii) Mr.Amit B. Kalyani, Non-Executive Director
iv) Mr.M.U. Takale, Non-Executive Director
v) Mr.Arun P. Pawar, Independent Director (Up to September 4, 2024)
vi) Mr.Sachin K. Mandlik, Independent Director (Up to November 8, 2025)
vii) Mr.S.K. Adivarekar, Independent Director
viii) Mrs.Shruti A. Shah Independent Director
ix) Amb.Ahmad Javed, Independent Director
x) Mr.S.G. Joglekar, Independent Director
xi) Mr.Kartik Bharat Ram, Non-Executive Director
xii) Mr.Raju S. Tolani, Independent Director
xiii) Mr.Bal Mukand Maheshwari, Chief Financial Officer
xiv) Mrs.Deepti R. Puranik, Company Secretary
xv) Mr.R.K. Goyal, Managing Director
xvi) Mr.S.M. Kheny, Non-Executive Director (Up to July 15, 2024)

Entities in which KMPs have significant influence

i) Kalyani Strategic Management Services Private Limited
ii) Kalyani Center for Precision Technology Limited

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

I	Key management personnel compensation	March 31, 2026	March 31, 2025
i)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	14.13	14.05
ii)	Mrs.Sunita B. Kalyani, Non-Executive Director	1.56	1.52
iii)	Mr.Amit B. Kalyani, Non-Executive Director	13.70	14.01
iv)	Mr.M.U. Takale, Non-Executive Director	1.05	1.02
v)	Mr.Arun P. Pawar, Independent Director	—	0.50
vi)	Mr.Sachin K. Mandlik, Independent Director	0.52	1.01
vii)	Mr.S.K. Adivarekar, Independent Director	1.06	1.03
viii)	Mrs.Shruti A. Shah Independent Director	1.05	1.02
ix)	Amb.Ahmad Javed, Independent Director	1.03	0.50
x)	Mr.S.G. Joglekar, Independent Director	1.12	1.07
xi)	Mr.Kartik Bharat Ram, Non-Executive Director	1.03	0.50
xii)	Mr.Raju S. Tolani, Independent Director	1.03	0.50
xiii)	Mr.Bal Mukand Maheshwari, Chief Financial Officer	17.73	17.08
xiv)	Mrs.Deepti R. Puranik, Company Secretary	8.50	7.69
xv)	Mr.R.K. Goyal, Managing Director	161.54	153.21
xvi)	Mr.S.M. Kheny, Non-Executive Director	—	0.25
	Total	**225.05**	**214.96**

(₹ in Million)

II	Dividend Paid	March 31, 2026	March 31, 2025
i)	Sundaram Trading & Investment Private Limited	77.67	77.67
ii)	BF Investment Limited	170.52	170.52
iii)	Ajinkya Investment and Trading Company	32.62	32.62
iv)	KSMS Technologies Solution Private Limited	0.70	0.70
v)	Ajinkyatara Trading Company Limited	0.03	0.03
vi)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	0.01	0.01
vii)	Mrs.Sunita B. Kalyani, Non-Executive Director	0.55	0.55
viii)	Mr.Amit B. Kalyani, Non-Executive Director	0.32	0.32
ix)	Mrs.Deeksha A. Kalyani	—	—
x)	Mr.S.M. Kheny, Non-Executive Director	—	—
xi)	Mr.M.U. Takale, Non-Executive Director	0.03	0.03
xii)	Mrs.Sugandha J. Hiremath & Mr.Jai V. Hiremath	0.03	0.03
	Total	**282.48**	**282.48**

(₹ in Million)

III	Transactions with related parties	March 31, 2026	March 31, 2025
A	**Sale of goods**		
i)	Bharat Forge Limited	4,732.00	5,161.52
ii)	Kalyani Technoforge Limited	3,201.35	3,494.67
iii)	Kalyani Transmission Technologies Private Limited	857.48	1,696.83
iv)	Saarloha Advanced Materials Private Limited	110.55	147.89
v)	Baramati Speciality Steels Limited	—	—
B	**Purchase of goods**		
i)	Bharat Forge Limited	9.17	10.23
ii)	Saarloha Advanced Materials Private Limited	631.80	1,068.67
iii)	Baramati Speciality Steels Limited	0.04	0.08
iv)	Kalyani Center for Precision Technology Limited	—	—
C	**Reimbursement of expenses received**		
i)	Kalyani Investment Company Limited	4.70	3.60
ii)	Saarloha Advanced Materials Private Limited	10.57	7.78
iii)	Baramati Speciality Steels Limited	—	—
iv)	Bharat Forge Limited	—	2.60
D	**Conversion charges paid**		
i)	Saarloha Advanced Materials Private Limited	111.23	132.89
ii)	Baramati Speciality Steels Limited	67.23	80.05
E	**Reimbursement of expenses paid**		
i)	Bharat Forge Limited	19.81	49.21
ii)	Saarloha Advanced Materials Private Limited	1.68	1.70
F	**Branding Fees paid**		
i)	Kalyani Strategic Management Services Private Limited	60.88	64.65
G	**Computer hardware purchase**		
i)	Kalyani Strategic Management Services Private Limited	—	—

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

III	Transactions with related parties	March 31, 2026	March 31, 2025
H	**Computer hardware purchase**		
i)	Peach Blossom Investment Private Limited	0.34	0.07
I	**CSR expenses**		
i)	Akutai Kalyani Charitable Trust	57.89	56.35
J	**Supervision Charges**		
i)	Synise Technologies Limited	2.57	2.79
K	**Employee benefit expense**		
i)	Kalyani Steels Limited Officers' Superannuation Scheme	1.61	2.30
ii)	Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme	12.54	8.30
iii)	Hospet Steels Employees Gratuity Trust	40.18	8.53
iv)	Hospet Steels Limited Employees Superannuation Trust	11.20	10.13

(₹ in Million)

IV	Outstanding balances	As at March 31, 2026	As at March 31, 2025
A	**Trade Payables**		
i)	Bharat Forge Limited	20.20	2.29
ii)	Saarloha Advanced Materials Private Limited	77.98	93.01
iii)	Baramati Speciality Steels Limited	0.84	8.71
iv)	Kalyani Strategic Management Services Private Limited	1.60	19.13
v)	Kalyani Technoforge Limited	0.97	1.60
vi)	Synise Technologies Limited	0.61	0.76
	Total trade payables from related parties	**102.20**	**125.50**
B	**Trade Receivables**		
i)	Bharat Forge Limited	958.41	1,206.29
ii)	Kalyani Technoforge Limited	1,783.66	1,269.36
iii)	Kalyani Transmission Technologies Private Limited	—	445.91
iv)	Saarloha Advanced Materials Private Limited	21.61	27.80
v)	Baramati Speciality Steels Limited	—	—
vi)	Kalyani Investment Company Limited	0.70	0.46
	Total trade receivables from related parties	**2,764.38**	**2,949.82**
C	**Outstanding balances Key management personnel compensation payable**		
i)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	14.00	14.00
ii)	Mrs.Sunita B. Kalyani, Non-Executive Director	1.50	1.50
iii)	Mr.Amit B. Kalyani, Non-Executive Director	13.65	14.00
iv)	Mr.S.M. Kheny, Non-Executive Director	—	0.25
v)	Mr.M.U. Takale, Non-Executive Director	1.00	1.00
vi)	Mr.Arun P. Pawar, Independent Director	—	0.50
vii)	Mr.Sachin K. Mandlik, Independent Director	0.50	1.00
viii)	Mr.S.K. Adivarekar, Independent Director	1.00	1.00
ix)	Mrs.Shruti A. Shah, Independent Director	1.00	1.00
x)	Amb.Ahmad Javed, Independent Director	1.00	0.50
xi)	Mr.S.G. Joglekar, Independent Director	1.00	1.00
xii)	Mr.Kartik Bharat Ram, Non-Executive Director	1.00	0.50
xiii)	Mr.Raju S. Tolani, Independent Director	1.00	0.50
xiv)	Mr.Bal Mukand Maheshwari, Chief Financial Officer	1.00	0.80
xv)	Mrs.Deepti R. Puranik, Company Secretary	0.40	0.40
xvi)	Mr.R.K. Goyal, Managing Director	63.63	64.32
	Total	**101.68**	**102.27**

(₹ in Million)

V	Compensation to key management personnel	Year Ended March 31, 2026	Year Ended March 31, 2025
	Short-term employee benefits	181.11	171.96
	Post-employment benefits	6.66	6.02

As the future liability for gratuity is provided on an actuarial basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

VI Terms and conditions for outstanding balances

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. The sale and purchase transactions were on the normal commercial terms and at market rates. The outstanding balances as on year end are unsecured and will be settled in monetary terms.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 39 : Fair value measurements

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Financial assets and liabilities at amortized cost

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Equity Investment held in subsidiary and associate	1,321.32	296.60
Security deposits	153.42	137.63
Trade receivables	4,963.39	4,313.45
Cash and cash equivalents	766.41	143.00
Other Bank Balances	6,973.09	6,899.06
Interest Accrued and Others	348.88	304.11
Bank deposits with maturity more than twelve months	160.08	0.80
Total financial assets	**14,686.59**	**12,094.65**
Financial liabilities		
Borrowings	4,750.25	4,375.97
Trade payables	2,688.06	3,030.18
Other financial liabilities	899.57	459.57
Total financial liabilities	**8,337.88**	**7,865.72**

Financial assets and liabilities classified as FVTPL

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in 10% Non-Cumulative Redeemable Preference shares	28.83	26.20
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1A Private Limited and Clean Renewable Energy KK1B Private Limited	81.24	—

Financial assets and liabilities classified as FVTOCI

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in 0% Compulsorily Convertible Debentures	—	1,179.21

i) Fair value hierarchy :

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
Investment in Preference shares			
March 31, 2026	—	—	28.83
March 31, 2025	—	—	26.20
Investments in Equity Shares*			
March 31, 2026	—	81.24	—
March 31, 2025	—	—	—
Investment in Debentures			
March 31, 2026	—	—	—
March 31, 2025	—	—	1,179.21

* Investments do not include investments in subsidiaries, joint ventures and associates which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value for preference shares is determined using discounted cash flow analysis (Baramati Speciality Steels Limited).
- The fair value for compulsorily convertible debentures is determined using asset approach (replacement value method).

iii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes. This team appoints external valuation experts whenever the need arises for Level 3 fair valuation. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every year, in line with the Company's annual reporting period.

iv) Fair value of financial assets and liabilities measured at amortized cost

The management assessed that the fair value of Financial assets and liabilities carried at amortized cost approximate their carrying amounts largely due to maturities of these instruments.

v) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in Level 3 items :

(₹ in Million)

Particulars	Preference shares	Debentures	Total
As at April 1, 2025	26.20	1,179.21	1,205.41
Gains / (losses) recognized in profit or loss	2.63	—	2.63
Gains / (losses) recognized in other comprehensive income	—	(156.20)	(156.20)
De-recognition of Debentures	—	(1,023.01)	(1,023.01)
As at March 31, 2026	**28.83**	**—**	**28.83**

vi) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value :

Particulars	Significant unobservable input	
	March 31, 2026	March 31, 2025
1) Preference shares		
i) Discount rate	10.00%	10.00%
2) Compulsory convertible debentures		
i) Discount rate	6.58%	6.58%
ii) Inflation rate	7.03%	7.03%

Change by 100 bps in interest rate does not have any material impact on value of investments in preference shares and compulsory convertible debentures.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 40 : Financial risk management

The Company is exposed to risks such as changes in foreign currency exchange rates and interest rates. Presented below is a description of the risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

I) 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 the market prices. The Company is exposed in the ordinary course of business to risks related to changes in foreign currency exchanges rates, commodity prices and interest rates.

A) 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 is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

i) Foreign currency risk exposure

The Company's exposure to foreign currency risk (in USD) at the end of reporting period in INR (Million), is as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Trade receivables	55.42	—
Net exposure to foreign currency risk (assets)	**55.42**	**—**
Financial liabilities		
Trade payables	1,042.77	1,398.82
Interest accrued	14.32	5.46
Net exposure to foreign currency risk (liabilities)	**1,057.09**	**1,404.28**

The sensitivity of pre tax profit or loss and pre tax equity to changes in foreign exchange rates with respect to year end payable / receivable balances in INR (Million) is as follows :

Particulars	Impact on pre tax profit or loss and pre tax equity	
	March 31, 2026	March 31, 2025
USD		
Increase by 1%*	10.57	14.04
Decrease by 1%*	(10.57)	(14.04)

*Holding all other variables constant

ii) Commodity Price risk :

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products. The Company is also subject to fluctuations in prices for the purchase of iron ore, metallurgical coke, coking coal, ferro alloys, scrap and other raw material inputs.

Commodity Price Sensitivity :

The Company has a back to back pass through arrangement for volatility in raw material prices for most of the customers. The selling prices of steel and the prices of input raw material move in the same direction. However in few cases there may be a lag effect in case of such pass through arrangements and might have some effect on the Company's profit and equity.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

B) Interest risk

The Company had borrowings at variable interest rate. Profit or loss and equity are sensitive to higher / lower interest expense from borrowings as a result of change in the interest rates. The following sensitivity analysis has been performed for non-current and current borrowings.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total borrowings at variable interest rate	—	—
Interest rate swaps	—	—
Net exposure to interest rate risk	—	—

Particulars	Impact on pre tax profit or loss and pre tax equity	
	March 31, 2026	March 31, 2025
Increase of interest rate by 0.5%*	NA	NA
Decrease of interest rate by 0.5%*	NA	NA

*Holding all other variables constant

II) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

i) Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities :

(₹ in Million)

March 31, 2026	Less than 1 year	More than 1 year
Non-derivative		
Borrowings	4,750.25	—
Trade payables	2,688.06	—
Other financial liabilities	318.40	581.18

(₹ in Million)

March 31, 2025	Less than 1 year	More than 1 year
Non-derivative		
Borrowings	4,375.97	—
Trade payables	3,030.18	—
Other financial liabilities	246.90	212.68

III) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The balances with banks, loans given to employees and associated company, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

A Trade receivables

Senior management is responsible for managing and analyzing the credit risk for each of their new clients before standard payment, delivery terms and conditions are offered. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment. The utilization of credit limits is regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

i) Expected credit loss for trade receivables under simplified approach :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered goods - Secured	—	—
Considered goods - Unsecured	4,990.12	4,340.18
Trade Receivables which have significant increase in credit risk	—	—
Trade Receivables - Credit Impaired	26.73	26.73
Expected loss rate	0.54%	0.62%
Expected credit losses (loss allowance provision)*	26.73	26.73
Carrying amount of trade receivables (net of impairment)	**4,963.39**	**4,313.45**

* Expected Credit Losses based on analysis of historical ageing trends is negligible as significant portion of receivable are from Related Parties where management does not expected credit losses as well as past trends. The Loss allowance provision represents provision against specific customer.

ii) Reconciliation of loss allowance provision - trade receivables

(₹ in Million)

Loss allowance as on March 31, 2024	**26.73**
Changes in loss allowance	—
Loss allowance as on March 31, 2025	**26.73**
Changes in loss allowance	—
Loss allowance as on March 31, 2026	**26.73**

Note 41 : Capital management

The Company's objective when managing capital is to

- safeguard its ability to continue as a going concern, so that the Company can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long term and short term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Total debt includes all long and short-term debts as disclosed in Note 15 and Note 20 to the financial statements.

The capital structure of the Company is as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	4,750.25	4,375.97
Equity	20,996.13	19,044.33
Debt equity ratio	**0.23**	**0.23**

i) In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

ii) There have been no breaches in the Financial covenants of any interest bearing loans and borrowings in the current period.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 42 : Ratios

The following are analytical ratios for the year ended March 31, 2026 and March 31, 2025

Sr. No.	Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.96	1.79	10%
2	Debt-Equity Ratio (in times)	Debt	Equity	0.23	0.23	(2%)
3	Debt Service Coverage Ratio (in times) [1]	Earnings for Debt Service*	Debt Service**	37.14	18.04	106%
4	Return on equity (in %)	Net Profit After Tax	Average Shareholders' Equity	12.74%	14.07%	(9%)
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	4.90	5.50	(11%)
6	Trade Receivable Turnover Ratio (in times)	Net sales	Average Accounts Receivable	3.91	4.59	(15%)
7	Trade Payable Turnover Ratio (in times)	Net Purchases	Average Accounts Payable	4.49	5.63	(20%)
8	Net Capital Turnover Ratio (in times)[2]	Net sales	Working Capital	2.35	3.15	(25%)
9	Net Profit Ratio (in %)	Net Profit	Net Sales	14.07%	12.93%	9%
10	Return on Capital Employed (in %)	Earning Before Interest & Tax	Capital Employed	13.88%	15.27%	(9%)
11	Return on Investment (Quoted) (in %)	Income Earned from Investment	Closing investment	5.91%	7.28%	(19%)
12	Return on Investment (Un-Quoted) (in %)[3]	Income Earned from Investment	Closing investment	(10.73%)	3.21%	(435%)

* Earnings for Debt Service : Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
** Debt Service : Interest on borrowings and other finance charges
1 Due to reduction in interest cost of FCL.
2 Due to increase in debtors and Investment in FD.
3 Due to conversion of OFCD fully into equity share related to DGM Realties Private Limited.

Note 43 : Corporate social responsibility (CSR)

(₹ in Million)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i)	Amount required to be spent by the company during the year	60.37	58.95
ii)	Amount of expenditure incurred (including set off availed)	61.16	59.48
iii)	Shortfall / (Excess) at the end of the year	(0.79)	(0.53)
iv)	Total of previous years shortfall / (excess)	(0.53)	(0.48)
v)	Nature of shortfall	NA	NA
vi)	Nature of CSR activities	Health and Education	Health and Education
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Akutai Kalyani Charitable Trust	Akutai Kalyani Charitable Trust
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 44 : Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors has been identified as the chief operating decision maker.

The Company has organized its operating segments based on product groupings. These operating segments have been aggregated into one reportable business segment : 'Forging and Engineering quality carbon and alloy steels'.

Following are major customers, which contribute more than 10% to the Revenue of the Company. The details are as under :

(₹ in Million)

	Year Ended March 31, 2026	Year Ended March 31, 2025
Name of Customer		
Bharat Forge Limited	4,732.00	5,161.52
Kalyani Technoforge Limited and its subsidiary	4,058.83	5,191.50

Total revenue from sales to customers outside India for the year ended March 31, 2026 and March 31, 2025 was ₹ 108.22 Million and ₹ 139.69 Million respectively which does not exceeds the required criteria for secondary segment reporting.

All assets are in India.

Note 45 : (Net Debt) / Surplus reconciliation

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	766.41	143.00
Current borrowings	(4,750.25)	(4,375.97)
Non-current borrowings	—	—
(Net Debt) / Surplus	**(3,983.84)**	**(4,232.97)**

Note 46 : Assets hypothecated as security

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
First charge		
Current Asset (Stock & Book Debts)	4,500.00	—
Fixed Deposits with Union Bank of India*	830.08	—

* The charge created on Fixed Deposits in the name of the Company with Union Bank of India has been restricted to the value of Fixed Deposits outstanding with the bank as of March 31, 2026.

Note 47 : There is no proceeding initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 48 : During the year ended March 31, 2026, the Company was not party to any approved scheme which needs approval from competent authority in terms of Sections 230 to 237 of the Companies Act, 2013.

Note 49 : As per the information available with the company, no transactions have been entered with any company struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

Note 50 : The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 51 : The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Continued) :

Note 52 : The Company has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of accounts.

Note 53 : The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

Note 54 : 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

Note 55 : On November 21, 2025, the Government of India notified the four Labour Codes - The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020 and The Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and estimated the incremental impact of these changes on the basis of information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and non-recurring nature of this impact on employee benefits, the Company has accounted ₹ 79.26 Million in the current year as “Exceptional Items” in the statement of profit and loss account. The impact primarily arises due to change in wage definition. The Company continues to monitor the finalization of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and impact of these if any, will be evaluated and accounted for in accordance with applicable accounting standards in the period in which they are notified.

Note 56 : Previous year figures have been regrouped / reclassified wherever necessary to conform with current year’s classification / disclosure.

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele **Partner** **Membership No.121162**	**Mrs.D.R. Puranik** **Company Secretary**	**B.M. Maheshwari** **Chief Financial Officer**	**R.K. Goyal** **Managing Director**	**B.N. Kalyani** **Chairman**
	Membership Number : ACS7475	**Membership Number : 047903**	**DIN : 03050193**	**DIN : 00089380**

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Kalyani Steels Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of Kalyani Steels Limited (hereinafter referred to as "the Holding Company"), its subsidiary DGM Realties Private Limited and joint operation Hospet Steels Limited (the Holding Company, its subsidiary and Joint Operation together referred to as "the Group"), comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and Joint Operation, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	**Accounting of joint operation** As explained in Note 2.A.3, the Holding Company's composite steel manufacturing facility at Ginigera is under a strategic alliance arrangement with a joint venture partner. The facility is managed by Hospet Steels Limited. The alliance confers Kalyani Steels Limited (KSL) and Mukand Limited (ML) with rights to assets, obligations for liabilities, sharing of expenses / loss in the proportion of product sharing ratio (viz. 41.38% by KSL and 58.62% by ML). Thus, KSL and ML have right to the assets and obligations for the liabilities of this arrangement. The strategic alliance is a joint arrangement in the nature of joint operation and accordingly, the Holding Company has recognized its share of expenses, assets and liabilities from joint operation in its financial statements. Due to the nature and complexities involved in accounting of strategic alliance arrangement as joint operation, this is a key audit matter.	As part of our audit procedures : ● We have obtained the said strategic alliance agreement and read the terms and conditions mentioned therein. ● Assessed the management's judgement of concluding the arrangement as joint operation as per the principles laid down under Ind AS 111. ● We have tested the controls and procedures established by the management relating to accounting of joint venture. ● Read report of the auditors of the joint operation. Further, obtained confirmation from auditors of the joint operation on specific procedures performed and outcome thereof in respect of significant accounting matters, significant events and unusual transactions. The accounting for joint operation requires the Holding Company to recognize only its share of expenses from the joint operation, therefore we have verified if the amount charged to ML (joint venture partner) are as per the terms and conditions of strategic alliance arrangement and have been offset against the respective expense line items. Similarly, the expenses incurred by the ML (joint venture partner) and charged to the Company have been reclassified to the respective expense line items based on the nature of such expense.

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
2.	**Valuation of inventory of the Holding Company** (Refer to Note 9 to the Consolidated Financial Statements - "Inventories") The finished good's inventory is valued at cost or net realizable value whichever is lower. Costs include direct materials and Labour and a proportion of manufacturing overheads based on normal operating capacity but does not include borrowing costs. Cost of work-in-progress and finished goods are determined on a weighted average basis. The Holding Company's composite steel manufacturing involves processes such as Mini Blast Furnace (MBF), Steel Melting Shop (SMS) and Rolling Mill Shop (RMS). Production is carried out continuously, by way of the simultaneous, standardized and sequential process. The output of a process is the input of another. The production from the last process is transferred to finished stock. Both direct and indirect costs are charged to the processes. Production results in joint and by-products. Losses, both normal and abnormal losses, occur at different stages of production, which are also taken into consideration while calculating the unit cost. Considering the calculation of process cost at each stage, accounting of joint product and by-product, normal / abnormal losses and allocation of overheads, the valuation of inventory is regarded as a key audit matter.	As a part of our audit procedures over valuation of inventory, we have performed the following procedures : ● assessed the design and performed tests of the design and operating effectiveness of the key controls over inventory valuation. ● obtained understanding of production process at each stage. ● obtained and tested on sample basis the process cost of each production process. ● verified the calculations, accounting of joint and by-product and allocation basis of overhead as per costing principles. ● tested the assumptions such as allocation percentages of fixed and variable overheads and yield rate at each production stage with source data. ● Further, we have tested on sample basis, net realizable value of finished goods based on subsequent sale value. ● We have also checked the aging report for identification of non-moving / slow moving finished goods on a sample basis. ● Analytical review of production quantity and cost of finished goods.

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

The Holding 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 Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Managements and Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an 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 Consolidated Financial Statements.

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

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

- 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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 Group, to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2026 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.

Other Matters

1. We did not audit the financial statements and other financial information, in respect of subsidiary (DGM Realties Private Limited), whose financial statements without giving effect to the elimination of inter-group transactions and other financial information include total assets of ₹ 1,374.46 Million as at March 31, 2026 and total income of ₹ 36.83 Million and net cash inflow of ₹ 0.56 Million for the year ended on that date. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management.
2. We also did not audit the financial statements of joint operation (Hospet Steels Limited) included in the Consolidated Financial Statements on proportionate basis whose financial statements reflect total revenue of ₹ Nil, total comprehensive income / loss of ₹ Nil for the year ended March 31, 2026 and Holding Company's share of expenditure of ₹ 1,083.42 Million. The joint operation has total assets of ₹ 383.95 Million as on March 31, 2026 and net cash inflow of ₹ 5.9 Million for the year ended March 31, 2026. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management.

   Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint operation and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint operation, is based solely on the reports of such other auditors.

Our opinion above on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary and joint operation, incorporated in India, as noted in the 'Other Matter' paragraph we give in the Annexure "A" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and joint operation, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that :

   a) We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in paragraph (h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the Directors of the Group's companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a Director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary company and joint operation incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure "B" to this report;

g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company incorporated in India to their Directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Based on the consideration of reports of other statutory auditors of the subsidiary and joint operation incorporated in India, the subsidiary company and Joint Operation have not paid any remuneration to its Directors during the year;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint operation, as noted in the 'Other matter' paragraph :

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements. – Refer Note 36 to the Consolidated Financial Statements.

   ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the subsidiary and Joint Operation company incorporated in India during the year ended March 31, 2026.

   iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended :

      a. As represented to us by the management, to the best of its knowledge and belief, as disclosed in Note 57 of the Consolidated Financial Statements, the respective managements of the Holding Company and its subsidiary and joint operation which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint operation respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary and joint operation to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary and joint operation ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b. As represented to us by the management, to the best of its knowledge and belief, as disclosed in Note 57 of the Consolidated Financial Statements, the respective managements of the Holding Company and its subsidiary and joint operation which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint operation respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary and joint operation from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary and joint operation shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary and joint operation which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend declared in respect of the previous year has been paid by the Holding Company during the year, in accordance with Section 123 of the Act to the extent it applies to payment of dividend. The subsidiary company and joint operation have neither declared nor paid dividend during the year.

As stated in Note 14(c) to the Consolidated Financial Statements, the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The proposed dividend is in accordance with Section 123 of the Act to the extent applicable.

vi. Based on our examination which included test checks, the Holding Company, subsidiary and joint venture have used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in holding company's accounting software, no audit trail (edit log) facility was enabled at the database level. In respect of Holding company's payroll, which is managed by third party, the SOC I Type II report has reported that, audit trail of application for financially relevant parameters are enabled at application level and at underlying database level.

Further, during the course of our audit, we and respective auditors of the above referred subsidiary and joint operation did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162PFMZTI1004

Pune
May 8, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that :

Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements are :

Entity Name	CIN	Holding / Subsidiary / Joint Operation	Clause number of the CARO report which is qualified or is adverse
Kalyani Steels Limited	L27104MH1973PLC016350	Holding Company	(ix) (d)

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162PFMZTI1004

Pune,
May 8, 2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kalyani Steels Limited of even date)

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

Opinion

We have audited the internal financial controls with reference to financial reporting of Kalyani Steels Limited ("the Holding Company"), its subsidiary DGM Realties Private Limited and joint operation Hospet Steels Limited (the Holding Company, its subsidiary and Joint Operation together referred to as "the Group"), which are incorporated in India, as of March 31, 2026 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the year ended on that date.

In our opinion and based on the consideration of the reports of the other auditor's on internal financial controls with reference to financial statements of subsidiary company and joint operation, as were audited by other auditors, the holding company and such companies incorporated in India which are its subsidiary company and joint operation, have, in all material respect, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal controls over financial reporting criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Responsibilities of Management and Board of Directors for Internal Financial Controls

The respective Board of Directors and Management of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility for the audit of Internal Financial Controls

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to Consolidated 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 Consolidated 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to one subsidiary and one joint operation which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint operation incorporated in India. Our opinion is not modified in respect of this matter.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162
UDIN : 26121162PFMZTI1004

Pune
May 8, 2026

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

(₹ in Million)

	Notes		As at March 31, 2026	As at March 31, 2025
ASSETS				
Non-current assets				
(a) Property, plant and equipment	3		6,267.43	6,774.29
(b) Capital work-in-progress	3		5,597.95	4,294.92
(c) Intangible assets	4		3.22	4.18
(d) Financial assets				
(i) Equity Investment held in subsidiary and associate	5.a		—	—
(ii) Investments	5.b		110.07	26.20
(iii) Other financial assets	6.a		313.68	183.95
(e) Income Tax assets (net)	7		7.07	7.07
(f) Other non-current assets	8.a		570.18	619.37
		Total	**12,869.60**	**11,909.98**
Current assets				
(a) Inventories	9		2,853.90	2,991.80
(b) Financial assets				
(i) Investments	5.c		1.11	4.54
(ii) Trade receivables	10		4,963.39	4,313.45
(iii) Cash and cash equivalents	11		767.04	143.06
(iv) Bank balances other than (ii) above	12		7,481.58	7,333.79
(v) Other financial assets	6.b		367.60	321.16
(c) Other current assets	8.b		653.41	303.57
		Total	**17,088.03**	**15,411.37**
Total Assets			**29,957.63**	**27,321.35**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13		218.64	218.64
(b) Other equity	14			
(i) Reserves and surplus			20,872.55	18,737.33
(ii) Other reserves			(42.02)	(41.36)
Equity attributable to owners of parent			**21,049.17**	**18,914.61**
(c) Non-controlling interest			—	1.06
Total equity			**21,049.17**	**18,915.67**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15		—	—
(ii) Other financial liabilities	16		581.18	212.68
(b) Provisions	18.a		83.26	61.08
(c) Deferred tax liabilities (net)	19		245.40	240.75
		Total	**909.84**	**514.51**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20		4,750.26	4,375.97
(ii) Trade payables	21			
- total outstanding dues of micro enterprises and small enterprises			118.52	240.69
- total outstanding dues of creditors other than micro enterprises and small enterprises			2,569.58	2,789.53
(iii) Other financial liabilities	17		318.40	246.90
(b) Provisions	18.b		75.68	45.36
(c) Other current liabilities	22		72.28	116.79
(d) Current tax liabilities (net)	23		93.90	75.93
		Total	**7,998.62**	**7,891.17**
Total liabilities			**8,908.46**	**8,405.68**
Total Equity and Liabilities			**29,957.63**	**27,321.35**
Material Accounting Policies	1			
Material accounting judgements, estimates and assumptions	2			

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

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

(₹ in Million)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	24	18,456.07	19,819.04
Other Income	25	601.21	552.73
Total Income		**19,057.28**	**20,371.77**
Expenses			
Cost of raw materials consumed	26	9,594.58	10,338.80
Purchase of traded goods	27	583.91	1,035.77
Manufacturing Expenses	32.a	2,819.26	2,781.72
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(7.22)	88.79
Employee benefits expense	29	867.60	832.96
Finance costs	30	86.38	185.66
Depreciation and amortization expense	31	570.39	633.88
Other expenses	32.b	985.08	1,011.11
Total expenses		**15,499.98**	**16,908.69**
Profit before exceptional items and tax		3,557.30	3,463.08
Exceptional items	56	(79.26)	—
Profit before tax		**3,478.04**	**3,463.08**
Tax expense			
Current tax		890.71	858.70
Deferred tax		6.85	35.79
Taxation in respect of earlier years		1.81	6.12
Total tax expense	34	**899.37**	**900.61**
Profit for the year / period		**2,578.67**	**2,562.47**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent year			
(a) Re-measurement of post employment benefit plans		(9.14)	(13.00)
Tax on above		2.30	3.27
Total other comprehensive income for the year / period (net)		(6.84)	(9.73)
Total comprehensive income for the year / period		**2,571.83**	**2,552.74**
Profit attributable to :			
Equity holders of parent		2,578.65	2,562.36
Non-controlling interest		0.02	0.11
Other comprehensive income attributable to :			
Equity holders of parent		(6.84)	(9.73)
Non-controlling interest		—	—
Total comprehensive income attributable to :			
Equity holders of parent		2,571.81	2,552.63
Non-controlling interest		0.02	0.11
Earnings per share (of ₹ 5 /- each)	35		
Basic and Diluted		59.07	58.70
Material accounting policies	1		
Material accounting judgements, estimates and assumptions	2		

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele
Partner
Membership No.121162

Pune
Date : May 8, 2026

For and on behalf of the Board of Directors

Mrs.D.R. Puranik	B.M. Maheshwari	R.K. Goyal	B.N. Kalyani
Company Secretary	Chief Financial Officer	Managing Director	Chairman
Membership Number : ACS7475	Membership Number : 047903	DIN : 03050193	DIN : 00089380

Pune
Date : May 8, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity Share Capital

(₹ in Million)

Particulars	Notes	No. of shares	Amount
As at March 31, 2024		**43,653,060**	**218.64**
Changes in equity share capital	13	—	—
As at March 31, 2025		**43,653,060**	**218.64**
Changes in equity share capital	13	—	—
As at March 31, 2026		**43,653,060**	**218.64**

B. Other Equity

(₹ in Million)

Particulars	Notes	Reserves and Surplus		Capital Reserve on consolidation	Other Equity Total
		Retained Earnings	General Reserve		
Balance as at April 1, 2024	14	**16,201.85**	**419.27**	**(41.36)**	**16,579.76**
Profit for the year		2,562.47	—	—	2,562.47
Other Comprehensive Income :					
Remeasurements of post-employment benefit plans (net of tax)		(9.73)	—	—	(9.73)
Transfer from OCI to retained earnings		—	—	—	—
Changes in fair value of equity instruments (compulsorily convertible debentures)		—	—	—	—
Equity Dividend for the year ended March 31, 2024		(436.53)	—	—	(436.53)
Total Income for the year		2,116.21	—	—	2,116.21
Balance as at March 31, 2025		**18,318.06**	**419.27**	**(41.36)**	**18,695.97**
Balance as at April 1, 2025	14	**18,318.06**	**419.27**	**(41.36)**	**18,695.97**
Profit for the year		2,578.67	—	—	2,578.67
Other Comprehensive Income :					
Remeasurements of post-employment benefit plans (net of tax)		(6.84)	—	—	(6.84)
Equity dividend for the year ended March 31, 2025		(436.53)	—	—	(436.53)
Adjustment on Non-Controlling Interest Acquisition		—	—	(0.66)	(0.66)
Total Income for the year		2,135.30	—	(0.66)	2,134.64
Balance as at March 31, 2026		**20,453.36**	**419.27**	**(42.02)**	**20,830.61**

Material accounting policies 1

Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

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

(₹ in Million)

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash Flows from Operating Activities :		
Profit before income tax and exceptional items	**3,478.04**	**3,463.08**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization	570.39	633.88
Unrealized foreign exchange loss / (gain) / etc. (net)	21.17	9.11
Interest expense	86.38	185.66
Profit on sale of property, plant and equipment	(3.82)	—
Profit on sale of Investment	(13.83)	(17.98)
Interest from deposits	(577.54)	(531.11)
Provisions written back	(2.51)	(7.47)
Fair value Loss / (Gain) on investments measured at FVTPL	(2.65)	(2.47)
Cash Generated from Operations before working capital changes & Exceptional Items	**3,555.63**	**3,732.70**
Adjustments for changes in working capital		
(Increase) / Decrease in inventories	137.90	(122.17)
(Increase) / Decrease in trade receivables	(649.94)	(105.22)
(Increase) / Decrease in other assets / other financial assets	(410.87)	219.18
Increase / (Decrease) in provisions	43.36	13.57
Increase / (Decrease) in trade payables	(360.78)	964.19
Increase / (Decrease) in other financial liabilities	11.28	43.70
Increase / (Decrease) in other current liabilities	(44.50)	(82.56)
Cash generated from Operations	**2,282.08**	**4,663.39**
Income taxes paid (net of refunds)	(874.45)	(845.06)
Net Cash Flows from Operating Activities (A)	**1,407.63**	**3,818.33**
B. Cash Flows from Investing Activities		
Purchase of property, plant and equipment and intangible assets (including capital work-in-progress)	(614.40)	(251.09)
Sale of assets property, plant and equipment	4.52	1.50
Proceeds / (Investments) in deposits (net)	(949.25)	(1,929.42)
Proceeds from sale of Investment in Mutual Fund	9,652.10	3,476.95
Purchase of Investment in Mutual Fund	(9,638.27)	(3,084.85)
Interest received	574.31	437.41
Investment in Clean Renewable Energy	(81.24)	—
Acquisition of Non-Controlling Interest	1.72	—
Net Cash Flows from Investing Activities (B)	**(1,050.51)**	**(1,349.50)**
C. Cash Flows from Financing Activities		
Repayment of borrowings - Non-current (including current maturities)	—	(1,667.48)
Proceeds from borrowings - Current (including Bill Discounting)	15,450.21	35,249.00
Repayment of borrowings - Current (including Bill Discounting)	(15,075.88)	(35,167.91)
Interest paid	(358.65)	(496.53)
Dividend paid	(436.53)	(436.53)
Net Cash Flows from Financing Activities (C)	**(420.84)**	**(2,519.45)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(63.73)**	**(50.62)**
Cash and cash equivalents at the beginning of the period / year (refer Note 11)*	**143.06**	**193.68**
Cash and cash equivalents at the end of the period / year (refer Note 11)*	**79.33**	**143.06**

* Excluding earmarked balances (on unclaimed dividend accounts)

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

1. Cash and Cash equivalents for the purpose of Cash Flow Statement

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balances with Banks (refer Note 11)		
In cash credit and current accounts	79.33	143.06
Deposits with original maturity of less than three months	—	—
Total	**79.33**	**143.06**

2. Change in Liability Arising from Financing Activities

(₹ in Million)

Particulars	April 1, 2025	Cash flow	Foreign exchange movement	March 31, 2026
Borrowing - Non-Current (including current maturities) (refer Note 15)	—	—	—	—
Borrowing - Current (refer Note 20)	4,375.97	374.33	—	4,750.31
Total	**4,375.97**	**374.33**	—	**4,750.31**

(₹ in Million)

Particulars	April 1, 2024	Cash flow	Foreign exchange movement	March 31, 2025
Borrowing - Non-Current (including current maturities) (refer Note 15)	1,667.48	(1,667.48)	—	—
Borrowing - Current (refer Note 20)	4,294.88	81.09	—	4,375.97
Total	**5,962.36**	**(1,586.39)**	—	**4,375.97**

3. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Material accounting policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
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Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS :

(All amounts are in Rupees Million, except per share data and unless stated otherwise)

Background

Kalyani Steels Limited ("the Company") is a public limited company domiciled in India and incorporated in February 1973 under the provisions of Companies Act, 1956. The Company and its subsidiary, associate and joint operation are together referred to as ('the Group'). The equity shares of the Company are listed on two recognized stock exchanges in India i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of manufacture and sale of Iron and Steel Products. The Company is an integrated manufacturer of diverse range of steel products with its manufacturing facility located at Hospet Works in Karnataka. The Registered Office of the Company is located at Mundhwa, Pune – 411 036. The CIN of the Company is L27104MH1973PLC016350.

These consolidated financial statements for the year ended March 31, 2026, were approved by the Board of Directors and authorized for issue on May 8, 2026.

1 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and measurement

Compliance with Ind AS

Consolidated Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to Consolidated financial statement.

Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "financial statements").

Principles of consolidation and equity accounting

Subsidiary

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Associates

Associates are all entities over which the group has significant influence but have no control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Joint operations

Certain of the Group's activities, are conducted through joint operations, which are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. As per Ind AS 111 - Joint arrangements, in its consolidated financial statements, the Group being a joint operator has recognized its share of the assets, liabilities, income and expenses of these joint operations incurred jointly with the other partners, along with its share of income from the sale of the output and any assets, liabilities and expenses that it has incurred in relation to the joint operation.

Business Combinations

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest method as per Appendix C of Ind AS 103 – Business Combinations.

Historical cost convention

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is :

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

All other assets are classified as non-current.

A liability is current when :

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(b) Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

Conversion

At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset. On transition to Ind AS, the Group has elected to continue the accounting policy adopted in its previous GAAP with respect to foreign exchange differences arising on long-term foreign currency monetary items related to a depreciable asset, existing as on March 31, 2017. Such exchange differences are adjusted to the cost of depreciable asset and depreciated over the balance life of the asset.

(c) Revenue from Contract with Customers

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of returns, trade allowances, rebates, value added taxes & goods and services tax offered by the Group as part of the contract.

Sale of goods and rendering of services

The Group manufactures and sells a range of steel and iron product in the market. Sales are recognized when control of the products has transferred at a point of time, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Revenue from services is recognized as the related services are performed.

(d) Other Income

Interest Income

Interest income from debt instruments is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a timely basis using the effective interest rate, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(e) Taxes

Current income tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates (i.e. enacted or substantially enacted) and the provisions of the Income Tax Act, 1961. The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Current income tax relating to items recognized in other comprehensive income is recognized in other comprehensive income and not in statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the Balance Sheet approach on temporary differences 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, except :

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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 asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has 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 tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

Indirect taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of indirect taxes paid, except :

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

(f) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash management.

(g) Trade receivables

Financial assets in the form of trade receivables, are initially measured at their transaction price as those do not contain a significant financing component determined in accordance with Ind AS 115.

(h) Inventories

Cost of inventories include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are valued at cost or net realizable value whichever is lower. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at cost or net realizable value whichever is lower. Costs includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but does not include borrowing costs. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Materials-in-transit and materials in bonded warehouse are valued at actual cost incurred up to the date of balance sheet.

Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(i) Investment in subsidiary and associate

Equity Investment in subsidiary and associate are accounted at cost less accumulated impairment.

(j) Fair value measurement

The Group measures financial instruments at fair value on initial recognition.

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 Group.

The fair value of an asset or a 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.

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.

The Group 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.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole :

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(l) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met :

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain / loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Group may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

Equity Instrument

Investment in equity instrument issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

De-recognition of financial assets

A financial asset is de-recognized when :

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Group has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either :
  - (a) The Group has transferred substantially all the risks and rewards of the asset or
  - (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure :

- Financial assets that are debt instruments and are measured at amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI.
- Lease receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider :

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below :

- Financial assets measured as at amortized cost.

ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Group does not de-recognize impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e. financial assets which are credit impaired on purchase / origination.

(m) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below :

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Consolidated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is de-recognized from its balance sheet when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(n) Loans and Borrowings at amortized Cost

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

The Group determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(p) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(q) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowings costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection / relining is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Cost of assets not ready for use, as on Balance Sheet date, is shown as capital work-in-progress (CWIP), advances given towards acquisition of Property, plant and equipment outstanding at each Balance Sheet date are disclosed under non-current assets.

Subsequent costs are included in the asset's carrying amount as recognized as a consolidated asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for a consolidated asset is derecognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Depreciation is charged on the basis of useful life of assets on straight line method.

Useful life of following asset category is considered as per Schedule II of Companies Act, 2013 except MBF Relining.

For MBF Relining, useful life is considered based on past history of usage, supported by technical evaluation.

Asset Category	Life In Years
Factory Buildings	30
Office Building	60
Plant and Equipment - Continuous Process	20
Plant and Equipment - Other than continuous process	13
Plant and Equipment - Power Plant	40
MBF Relining	4
Electrical Installations	10
Computers	3
Servers	6
Furniture and Fixtures	10
Office Equipment	5
Vehicles	8
Helicopter	20

Freehold land is carried at historical cost.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the consolidated statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets relating to computer software are amortized over the useful economic life of six years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at each reporting period.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the net carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.

(r) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

(s) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Group after the reporting period.

(t) Provisions and contingent liabilities

Provisions are recognized when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(u) Employee Benefits

(i) Short-term Employee Benefits

The distinction between short term and long-term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognized in the period in which the employee renders the related service.

(ii) Post-Employment benefits

1. Defined Contribution plan

The Group makes payment to approved superannuation schemes, state government provident fund scheme and employee state insurance scheme which are defined contribution plans. The contribution paid / payable under the schemes is recognized in the statement of profit and loss during the period in which the employee renders the related service. The Group has no further obligations under these schemes beyond its periodic contributions.

2. Defined Benefit plan

The employees' gratuity fund scheme is Group's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

(iii) Long term Employment benefits

The employee's long term compensated absences are Group's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on a net basis.

In regard to other long term employment benefits, the Group recognizes the net total of service costs, net interest on the net defined benefit liability (asset) and re-measurements of the net defined benefit liability (asset) in the statement of profit and loss.

Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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 the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Provident Fund

The Group operates two plans for its employees to provide employee benefits in the nature of provident fund.

The Group pays provident fund contributions to publicly administered provident fund as per regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

Superannuation

Retirement benefit in the form of superannuation plan is a defined contribution plan. Defined contributions to insurance Company for employees covered under Superannuation scheme are accounted at the rate of 15% of such employees' basic salary, restricted to ₹ 150,000/- p.a. The Group recognizes expense toward the contribution paid / payable to the defined contribution plan as and when an employee renders the relevant service. The Group has no obligation, other than the contribution payable to the superannuation fund.

iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates : (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Paid up equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated.

(x) Dividends

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(y) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted Earnings per Share

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 is adjusted for the effects of all dilutive potential equity shares.

(z) Rounding of amounts

All amounts disclosed in these consolidated financial statements and notes have been rounded off to the nearest Million as per the requirement of Schedule III, unless otherwise stated.

2. Material accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

A. Judgements

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

1. Legal Contingencies

The Group has received various orders and notices from tax authorities in respect of direct and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and makes judgments for providing provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

2. Segment Reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in consolidated financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Group has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD), based on its internal reporting structure and functions of the BoD. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

3. Joint operation

The Group's composite Steel manufacturing facility at Ginigera is under a strategic alliance arrangement with a joint venture partner. The facility is managed by Hospet Steels Limited. The alliance confers Kalyani Steels Limited (KSL) and Mukand Limited (ML) with rights to assets, obligations for liabilities, sharing of expenses / profit / loss in the proportion of product sharing ratio (viz. 41.38% by KSL and 58.62% by ML). Thus, KSL and ML have right to the assets and obligations for the liabilities of this arrangement. Thus, the strategic alliance is a joint arrangement in the nature of joint operation.

4. Investment in Convertible Debentures

The Company has invested in Fully Convertible Debentures (FCDs) of DGM Realties Private Limited ("DGM") of face value of ₹ 1,319.60 Million. As per the terms of allotment of the said FCDs, each FCD of ₹ 100/- is convertible into 1 (One) Equity Share of ₹ 10/- each of DGM at a premium of ₹ 90/- per share.

On the first tranche of conversion, 2,700,000 Equity Shares were allotted to the Company by DGM on March 29, 2024, representing 99.63% of the paid-up capital of DGM. Consequently, the Company has become the holding Company of DGM.

Subsequently, 266,000 FCDs were converted into Equity Shares on April 12, 2024, 8,630,000 FCDs were converted into Equity Shares on September 11, 2025 and 1,600,000 FCDs were converted into Equity Shares on November 30, 2025. Accordingly, all FCDs aggregating to ₹ 1,319.60 Million were converted into Equity Shares of DGM.

During the year, the Company has acquired 10,000 Equity Shares of DGM, resulting in holding 100% of the paid-up equity share capital of DGM. Consequently, DGM has become a wholly owned subsidiary of the Company.

5. Control over subsidiary

The management has assessed that the Group had control over the subsidiary - DGM Realties Private Limited based on the facts and circumstances existing on its date of incorporation. The Group had control over its subsidiary through majority shareholding.

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and benefit increases are based on expected future inflation rates. Further details about employee benefit obligations are given in Note 37.

2. Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments and estimates include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 39 for further disclosures.

3. Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and estimates the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4. Deferred Tax

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax asset could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 3 : Property, plant and equipment

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total	Capital work in progress
Gross Block as at March 31, 2024	**1,865.26**	**1,502.95**	**9,918.76**	**178.48**	**38.80**	**847.09**	**14,351.34**	**3,811.54**
Additions	—	—	66.01	6.51	0.64	—	73.16	179.12
Borrowing Cost Capitalized	—	—	—	—	—	—	—	313.79
Transfers	—	—	(536.33)	—	—	(2.25)	(538.58)	(9.53)
Gross Block as at March 31, 2025	**1,865.26**	**1,502.95**	**9,448.44**	**184.99**	**39.44**	**844.84**	**13,885.92**	**4,294.92**
Additions	—	4.97	72.01	3.96	1.29	2.11	84.34	1,106.25
Borrowing Cost Capitalized	—	—	—	—	—	—	—	281.12
Transfers	—	—	—	—	—	—	—	(84.34)
Disposals / Adjustments	—	—	(21.54)	—	—	(23.56)	(45.10)	—
Gross block as at March 31, 2026	**1,865.26**	**1,507.92**	**9,498.91**	**188.95**	**40.73**	**823.39**	**13,925.16**	**5,597.95**

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total
Accumulated Depreciation :							
As at March 31, 2024	—	552.26	6,245.03	136.15	29.38	52.80	7,015.62
For the year	—	61.62	509.17	16.53	3.14	42.41	632.87
Disposals / Adjustments	—	—	(534.61)	—	—	(2.25)	(536.86)
As at March 31, 2025	**—**	**613.88**	**6,219.59**	**152.68**	**32.52**	**92.96**	**7,111.63**
For the period	—	54.46	454.70	15.79	1.73	42.26	568.94
Disposals / Adjustments	—	—	—	—	—	(22.84)	(22.84)
As at March 31, 2026	**—**	**668.34**	**6,674.29**	**168.47**	**34.25**	**112.38**	**7,657.73**

(₹ in Million)

Particulars	Freehold Land	Buildings	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles & Aircrafts	Total
Net Block							
As at March 31, 2025	**1,865.26**	**889.07**	**3,228.85**	**32.31**	**6.92**	**751.88**	**6,774.29**
As at March 31, 2026	**1,865.26**	**839.58**	**2,824.62**	**20.48**	**6.48**	**711.01**	**6,267.43**

i) For Depreciation and amortization refer accounting policy (refer Note 1).

ii) The Company had adopted deemed cost exemption under Ind AS 101, on transition date April 1, 2015. The information of Gross Block and accumulated depreciation as on April 1, 2015 is carried forward for disclosures.

iii) Capital work-in-progress as on March 31, 2026 mainly comprises acquisition of Kamineni Steel Plant.

iv) Contractual Obligations - Refer Note 36-B for disclosure of contractual commitments for the acquisition of Property, plant and equipment.

v) Property, plant and equipment pledged as security, refer Note 48.

vi) Title Deeds of Immovable properties are held in the name of the Group.

vii) The Group has not revalued any Property, plant and equipment during the year.

viii) There are no proceeding which has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 3 : Property, plant and equipment (Continued)

ix) Pursuant to the arbitration award dated February 9, 2026 in respect of contractual disputes with Dynepro Private Limited, the Parent Company has recognized liquidated damages and compensation for delay aggregating to ₹ 21.54 Million as an adjustment to the cost of the relevant Property, plant and equipment. These amounts represent a contractual price adjustment arising from delays and performance deficiencies attributable to the vendor and are considered in the nature of rebates / compensation directly impacting the acquisition cost of the asset. Accordingly, in line with the principles of Ind AS 16, such amounts have been deducted from the gross carrying value of the assets. The Parent Company has assessed that the said adjustments are directly attributable to the asset cost and do not represent income in nature.

x) CWIP Ageing Schedule as on March 31, 2026 :

(₹ in Million)

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	505.56	565.03	3,665.49	—	4,736.08
Others	839.05	22.82	—	—	861.87
Total	**1,344.61**	**587.85**	**3,665.49**	**—**	**5,597.95**

xi) Completion Schedule for Projects Overdue or Exceeded Cost Estimate as on March 31, 2026 :

(₹ in Million)

Project in progress	to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	—	—	—	—	—
Others	—	—	—	—	—
Total	—	—	—	—	—

xii) CWIP Ageing Schedule as on March 31, 2025 :

(₹ in Million)

Project in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	565.03	3,665.49	—	—	4,230.52
Others	50.75	13.65	—	—	64.40
Total	**615.78**	**3,679.14**	**—**	**—**	**4,294.92**

xiii) Completion Schedule for Projects Overdue or Exceeded Cost Estimate as on March 31, 2025 :

(₹ in Million)

Project in progress	to be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
New Steel Plant including Kamineni Steel Plant	—	—	—	—	—
Others	—	—	—	—	—
Total	—	—	—	—	—

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 4 : Intangible assets

(₹ in Million)

Particulars	Computer software
Gross block as at March 31, 2024	**61.98**
Additions	2.56
Disposals / Adjustments	—
Gross block as at March 31, 2025	**64.54**
Additions	0.46
Disposals / Adjustments	—
Gross block as at March 31, 2026	**65.00**

(₹ in Million)

Particulars	Computer software
Accumulated Amortization :	
As at March 31, 2024	**59.35**
For the year	1.01
Disposals / Adjustments	—
As at March 31, 2025	**60.36**
For the period	1.42
Disposals / Adjustments	—
As at March 31, 2026	**61.78**

(₹ in Million)

Net Block	
As at March 31, 2025	**4.18**
As at March 31, 2026	**3.22**

i) Intangible Assets are amortized on Straight Line method.

ii) For Depreciation and amortization refer accounting policy (Note 1).

iii) The Group had adopted deemed cost exemption under Ind AS 101, on transition date April 1, 2015. The information of Gross Block and accumulated depreciation as on April 1, 2015 is carried forward for disclosures.

iv) The Group has not revalued its intangible asset during the year.

Note 5 (a) : Investment in associate

(₹ in Million)

Particulars	Face value per unit in ₹	Number of shares		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
A. Investment in associates (Unquoted) : **Equity Shares in Associate at cost (fully paid)** Kalyani Mukand Limited	10	1,000,000	1,000,000	10.05	10.05
				10.05	10.05
Aggregate provision for impairment in value of investments				(10.05)	(10.05)
Total				—	—
Total Non-current investments in associate				—	—
Aggregate amount of quoted investments Aggregate amount of unquoted investments Aggregate amount of impairment in the value of investments				— 10.05 (10.05)	— 10.05 (10.05)

Note 5(b) : Non-current investments

(₹ in Million)

Particulars	Face value per unit in ₹	Number of shares		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Investments in Preference shares (Unquoted) **Investments at fair value through profit or loss** 10% Non-Cumulative Redeemable in Baramati Speciality Steels Limited	10	5,926,000	5,926,000	28.83	26.20
				28.83	26.20
Aggregate provision for impairment in value of investments				—	—
Total Non-current investments				**28.83**	**26.20**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 5(b) : Non-current investments (Contd.)

(₹ in Million)

Particulars	Face value per unit in ₹	Number of units		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Investments in Others at fair value through profit or loss					
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1A Private Limited	10	1,857,223	—	51.89	—
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1B Private Limited	10	1,034,453	—	29.35	—
Less : Provision for impairment in value of investments				—	—
Total				**81.24**	—
Total Non-current investments				**110.07**	**26.20**

(a) Investment in Equity Shares of Clean Renewable Energy KK1A Private Limited

The Group has invested in 1,857,223 equity shares of face value ₹ 10/- each, at a premium of ₹ 17.94/- per share, in Clean Renewable Energy KK1A Private Limited. As a result of this investment, the Company holds 8.64% equity stake in Clean Renewable Energy KK1A Private Limited for captive use of electricity generated in the captive power plant.

(b) Investment in Equity Shares of Clean Renewable Energy KK1B Private Limited

The Group has invested in 1,034,453 equity shares of face value ₹ 10/- each, at a premium of ₹ 18.37/- per share, in Clean Renewable Energy KK1B Private Limited. As a result of this investment, the Company holds 4.85% equity stake in Clean Renewable Energy KK1B Private Limited for captive use of electricity generated in the captive power plant.

Note 5(c) : Current investments

(₹ in Million)

Particulars	Face value per unit in ₹	Number of units		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Investments at fair value through profit and loss					
Investments in mutual funds (quoted)					
Kotak Liquid Fund-Regular Plan-Growth	100	2,519	—	1.11	—
HDFC Money Market Fund-Regular Plan-Growth	100	—	875	—	4.54
Total				**1.11**	**4.54**
Aggregate amount of quoted investments				**1.11**	**4.54**

Note 6 : Other financial assets

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits		
Unsecured, considered good	153.60	137.63
Unsecured, considered doubtful	2.09	2.09
Less : Allowance for credit losses	(2.09)	(2.09)
Bank deposits with maturity more than twelve months	160.08	46.32
Total	**313.68**	**183.95**

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on fixed deposits	316.67	313.44
Other Receivables	50.93	7.72
Total	**367.60**	**321.16**

Note 7 : Non Current Income tax assets (net)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Tax paid in advance (net of provisions)	7.07	7.07
Total	**7.07**	**7.07**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 8 : Other assets

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances		
Considered good	7.91	58.92
Balances with government authorities		
Considered good	560.93	553.51
Prepaid expenses	1.34	6.94
Total	**570.18**	**619.37**

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	55.96	55.43
Advance to suppliers		
Considered good	476.20	186.00
Considered doubtful	5.09	5.09
Less : Allowance for losses	(5.09)	(5.09)
Balances with government authorities	120.33	61.42
Other advances	0.92	0.72
Total	**653.41**	**303.57**

Note 9 : Inventories

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(at lower of cost or net realizable value)		
Raw materials*	1,090.93	1,243.62
Work-in-progress (includes items lying with third parties)	173.79	137.39
Finished goods (includes items lying with third parties)	217.06	256.67
Finished goods (in transit)	321.13	315.34
	538.19	572.01
Scrap at estimated realizable value	5.64	1.00
Stores and spares	200.02	192.45
Stock in trade	845.33	845.33
Total	**2,853.90**	**2,991.80**

* includes goods in transit as on March 31, 2026 ₹ Nil (March 31, 2025 : ₹ Nil)

Note : 1. The value of inventories above is stated after write down of ₹ 13.74 Million (March 31, 2025 : ₹ 14.51 Million) to net realizable value.

2. Inventory hypothecated as security, refer Note 48.

a) Details of raw material inventory

(₹ in Million)

As at March 31, 2026	**MTs**	**Amount**
Coke / Coal / Coke Fines	31,137	644.47
Iron Ore / Iron Ore Fines / Mill Scale	18,355	106.06
Ferro Alloys		215.36
Others		125.04
Total		**1,090.93**

(₹ in Million)

As at March 31, 2025	**MTs**	**Amount**
Coke / Coal / Coke Fines	38,696	778.41
Iron Ore / Iron Ore Fines / Mill Scale	41,117	282.17
Ferro Alloys		131.52
Others		51.52
Total		**1,243.62**

b) Details of work in progress

(₹ in Million)

As at March 31, 2026	**MTs**	**Amount**
Blooms & Rounds	2,646	155.23
Others		18.56
Total		**173.79**

(₹ in Million)

As at March 31, 2025	**MTs**	**Amount**
Blooms & Rounds	2,630	118.36
Others		19.03
Total		**137.39**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

c) Details of finished goods

(₹ in Million)

As at March 31, 2026	MTs	Amount
Rolled Products	10,661	538.19
Others (Scrap)		5.64
Total		**543.83**

(₹ in Million)

As at March 31, 2025	MTs	Amount
Rolled Products	10,651	572.01
Others (Scrap)		1.00
Total		**573.01**

Note 10 : Trade receivables

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivable	2,225.74	1,390.36
Receivables from related parties (refer Note 38)	2,764.38	2,949.82
Less : Allowance for doubtful debts	(26.73)	(26.73)
	4,963.39	4,313.45
Break up of security details		
Secured, considered good	—	—
Unsecured, considered good	4,963.39	4,313.45
Doubtful	26.73	26.73
Total	4,990.12	4,340.18
Allowance for doubtful debts	(26.73)	(26.73)
Total	**4,963.39**	**4,313.45**

1. Trade receivable are non-interest bearing and are generally on terms of 30-90 days upon delivery.
2. The amount receivable from related parties is disclosed net of advance of ₹ 470 Million (March 31, 2025 : ₹ 470 Million) as the Group has a legally enforceable right to set off the said advance against the receivable and the Group intends to do so.
3. For details of debts due from companies in which any Director is a partner, a director or a member, refer Note 38 of related party transactions.
4. No Trade Receivables are due from Directors or other officers of the Group either severally or jointly.
5. Expected credit loss for Trade Receivables under simplified approach.

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered goods - Secured	—	—
Considered goods - Unsecured	4,990.12	4,340.18
Trade Receivables which have significant increase in credit risk	—	—
Trade Receivables - Credit Impaired	26.73	26.73
Expected loss rate	0.54%	0.62%
Expected credit losses (loss allowance provision)	26.73	26.73
Carrying amount of trade receivables (net of impairment)	**4,963.39**	**4,313.45**

Trade receivable ageing schedule as at March 31, 2026

(₹ in Million)

Particulars	Outstanding for following period from Due Date of Payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered Good	3,891.77	1,583.77	—	—	—	—	5,475.54
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - Considered Not Good	—	—	—	—	—	26.73	26.73
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	**3,891.77**	**1,583.77**	**—**	**—**	**—**	**26.73**	**5,502.27**
Unbilled							(512.15)
Loss Allowance							(26.73)
Net Trade Receivables							**4,963.39**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Trade receivable ageing schedule as at March 31, 2025

(₹ in Million)

Particulars	Outstanding for following period from Due Date of Payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered Good	4,219.68	680.49	—	—	0.24	—	4,900.41
(ii) Undisputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(iii) Undisputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
(iv) Disputed Trade Receivables - Considered Not Good	—	—	—	—	—	26.73	26.73
(v) Disputed Trade Receivables - which have significant increase in Credit Risk	—	—	—	—	—	—	—
(vi) Disputed Trade Receivables - Credit Impaired	—	—	—	—	—	—	—
Total	**4,219.68**	**680.49**	**—**	**—**	**0.24**	**26.73**	**4,927.14**
Unbilled							(586.96)
Loss Allowance							(26.73)
Net Trade Receivables							**4,313.45**

From opening balances of Unbilled revenue, amount of ₹ 296.63 Million has been recognized as revenue during the year 2025-26 (Previous Year ₹ 259.53 Million).

6. The amount repayable under the bill discounting arrangement is presented as borrowing. The relevant carrying amounts are as follows :

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Transferred receivables	2,680.26	2,840.97
Associated secured & unsecured borrowing (bank loans - refer Note 20)	2,680.26	2,840.97

Note 11 : Cash and cash equivalents

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Cash on hand	—	—
Cheque in hand	9.56	—
Balances with Banks		
In current and cash credit accounts	69.78	143.06
In deposit accounts		
Term deposits with original maturity of less than three months	687.70	—
Total	**767.04**	**143.06**

Note 12 : Bank balances other than cash and cash equivalents

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Earmarked balances (unclaimed dividend accounts)	12.66	12.65
Deposits with original maturity of more than three months but less than twelve months	7,468.92	7,321.14
Total	**7,481.58**	**7,333.79**

Note 13 : Share capital

(a) Authorized share capital

Particulars	**Equity shares**	**Cumulative redeemable preference shares**	**Unclassified shares**
As at March 31, 2025 :			
Number of shares	95,000,000	3,010,000	2,400,000
Face value per share	₹ 5/-	₹ 100/-	₹ 10/-
Amount (₹ in Million)	475.00	301.00	24.00
As at March 31, 2026 :			
Number of shares	95,000,000	3,010,000	2,400,000
Face value per share	₹ 5/-	₹ 100/-	₹ 10/-
Amount (₹ in Million)	475.00	301.00	24.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

(b) Terms / rights attached to equity shares

The Company has only one class of issued equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Issued and subscribed equity share capital

(₹ in Million)

Particulars	Number of shares	Amount
As at March 31, 2024	43,759,380	218.80
Changes in equity share capital	—	—
As at March 31, 2025	43,759,380	218.80
Changes in equity share capital	—	—
As at March 31, 2026	43,759,380	218.80

(d) Subscribed and fully paid up equity share capital

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Equity Shares of ₹ 5/- each fully paid	218.27	218.27
Add : Forfeited Equity Shares (amount paid up)	0.37	0.37
Subscribed and paid up equity share capital	218.64	218.64
Number of equity shares of ₹ 5/- each fully paid	43,653,060	43,653,060
Add : Forfeited Equity Shares	106,320	106,320
Number of shares	43,759,380	43,759,380

(e) Details of shareholders holding more than 5% Equity Shares in the Company

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited	BF Investment Limited	DSP Small Capital Fund	Quant Mutual Fund A/C Quant Infrastructure Fund
As at March 31, 2025					
% of holding	7.47%	17.79%	39.06%	3.99%	5.99%
Number of shares	3,261,822	7,766,758	17,052,421	1,741,701	2,612,877
As at March 31, 2026					
% of holding	7.47%	17.79%	39.06%	3.89%	5.99%
Number of shares	3,261,822	7,766,758	17,052,421	1,700,000	2,612,877

(f) Details of Equity Shares held by Promoter and Promoter Group

Name of the Promoter / Promoter Group Member	As at March 31, 2026		As at March 31, 2025		% Change During the year
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr.B.N. Kalyani	1,118	—	1,118	—	—
Mrs.Sunita B. Kalyani	54,650	0.13	54,650	0.13	—
Mr.Amit B. Kalyani	31,644	0.07	31,644	0.07	—
Mrs.Deeksha A. Kalyani	50	—	50	—	—
Mrs.Sugandha Hiremath & Mr. Jai Hiremath	3,179	0.01	3,179	0.01	—
Ajinkya Investment & Trading Company	3,261,822	7.47	3,261,822	7.47	—
Sundaram Trading & Investment Private Limited	7,766,758	17.79	7,766,758	17.79	—
Ajinkyatara Trading Company Limited	2,560	0.01	2,560	0.01	—
KSMS Technologies Solutions Private Limited	70,000	0.16	70,000	0.16	—
BF Investment Limited	17,052,421	39.06	17,052,421	39.06	—
Babasaheb Kalyani Family Trust	—	—	—	—	—
Total	**28,244,202**	**64.70**	**28,244,202**	**64.70**	—

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 14 : Other equity

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
A) Reserves and Surplus		
i) Retained earnings in the statement of profit & loss		
Balance at the beginning of the year	18,318.06	16,201.85
Add : Profit for the year	2,578.67	2,562.47
Add : Other Comprehensive Income being remeasurements of post-employment benefit plans (net of tax)	(6.84)	(9.73)
Total	2,571.83	2,552.74
Less :		
Final equity dividend of previous year	436.53	436.53
Total	436.53	436.53
Balance at the end of the year	**20,453.28**	**18,318.06**
ii) General reserve		
Balance at the beginning and end of the year	**419.27**	**419.27**
B) Other Reserves		
i) Capital Reserve on consolidation	**(42.02)**	**(41.36)**
Total	**20,830.53**	**18,695.97**

14(a) Nature and purpose of reserves :

i) Retained earnings in the statement of profit & loss :

Surplus in Statement of Profit & Loss represents the undistributed profit of the Group as on Balance Sheet date.

ii) General reserve :

Under the erstwhile Companies Act,1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

iii) Capital Reserve on consolidation :

Capital reserve on consolidation has been created under conversion of 0% Fully Convertible Debentures in DGM Realties Private Limited into fully paid equity shares of face value ₹ 10/- per share.

14(b) Change in Capital Reserve pursuant to Acquisition of Non-Controlling Interest

During the year ended March 31, 2026, the Group acquired the remaining 10,000 equity shares in its subsidiary, resulting in the subsidiary becoming a wholly owned subsidiary. This transaction has been accounted for as an equity transaction in accordance with Ind AS 110, as there was no change in control.

14(c) Dividend distribution made and proposed :

(₹ in Million)

Particulars	2025-26	2024-25
Cash Dividend on Equity shares declared and paid		
Final Dividend :		
For the year ended March 31, 2025 : ₹ 10/- per equity share (March 31, 2024 : ₹ 10/- per equity share)	436.53	436.53
Proposed dividends on Equity Shares		
Final Dividend :		
For the year ended March 31, 2026 : ₹ 10/- per equity share (March 31, 2025 : ₹ 10/- per equity share)	436.53	436.53

Proposed dividend on equity shares is subject to approval of the shareholders of the Company at the annual general meeting and is not recognized as a liability as at year end.

The Company has complied with the provisions of Section 123 of the Companies Act, 2013 related to dividend declared and paid.

Note 15 : Non-current borrowings

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured :		
Foreign currency term loans from Bank	—	—
Total non-current borrowings	—	—
Less : amount disclosed as current maturities of non current borrowings (refer Note 20)	—	—
Total current maturities of non-current borrowings	—	—
Total	**—**	**—**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 16 : Other current financial liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Creditors for capital goods*	581.18	212.68
Total	**581.18**	**212.68**

*reclassified as non-current considering payment is subject to fulfilment of certain conditions.

Note 17 : Other current financial liabilities

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due	14.32	5.46
Forward Contract Liabilities	—	14.67
Unclaimed dividend payable	12.66	12.65
Creditors for capital goods	112.12	60.76
Employee benefits payable	179.30	153.36
Total	**318.40**	**246.90**

Note 18 : Provisions

a. Non-current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for compensated absences	83.26	61.08
Total	**83.26**	**61.08**

b. Current

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Provision for gratuity	50.34	23.64
Provision for compensated absences	25.34	21.72
Total	**75.68**	**45.36**

Note 19 : Deferred tax liabilities (net)

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Depreciation and amortization	296.01	279.37
Fair valuation of derivatives	0.01	(0.09)
Total deferred tax liabilities	296.02	279.28
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act	27.72	17.27
Provision for doubtful debts	6.73	6.73
Other Comprehensive income	8.51	6.21
Fair valuation of investment	7.66	8.32
Total deferred tax assets	50.62	38.53
Total	**245.40**	**240.75**

Changes in Deferred Tax Assets / (Liabilities) in Statement of Profit and Loss [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities		
Depreciation and amortization	(16.64)	(43.51)
Fair valuation of derivatives	0.01	3.45
Deferred tax assets		
Disallowance u/s 43B of the Income Tax Act	10.44	4.87
Fair valuation of investment	(0.66)	(0.60)
Total	**(6.85)**	**(35.79)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Changes in Deferred Tax Assets / (Liabilities) in Other Comprehensive income [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Remeasurements of post-employment benefit plans	2.30	3.27
Total	**2.30**	**3.27**

Note 20 : Current borrowings

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured borrowing from bank		
Short Term Loan from Banks**	1,480.00	1,000.00
Bill Discounting with banks*	2,235.02	2,391.20
Secured borrowing from bank		
Short Term Loan from Banks**	590.00	535.00
Bill Discounting with Bank*	445.24	449.77
Total	**4,750.26**	**4,375.97**

* **Bill Discounting :** The Company has availed unsecured Bill Discounting facilities from various banks, which are repayable within 90 days. The applicable average interest rate is between 6.10% - 6.75% p.a. (previous year 7.50% p.a.)

The Company has also availed secured Bill Discounting facilities from Union Bank of India which are repayable within 90 days. The applicable average interest rate is between 6.10% - 6.75% p.a. (previous year 7.50% p.a.) against the hypothecation of Stock & Book Debts.

** **Short term Loans :** The Company has availed secured working capital demand loans (short term loans) facilities from various banks, which are repayable up to 90 days. The applicable average interest rate is between 6.15% - 7.50% p.a. (previous year 7.50% p.a.) against the hypothecation of Stock & Book Debts. The company has also availed unsecured working capital demand loans (short term loans) facilities from Yes Bank Limited & Axis Bank Limited which are repayable up to 90 days. The applicable average interest rate is between 6.15% - 6.75% p.a. (previous year 7.50% p.a.)

The Group does not have any charges or satisfaction which is yet to be registered with the ROC beyond the statutory period.

Note 21 : Trade payables

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	118.52	240.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Acceptances (see note (i) below)	1,042.77	1,398.86
ii) Related Parties (Refer Note 38)	102.20	125.50
iii) Others	1,424.61	1,265.17
Total	**2,688.10**	**3,030.22**

i) Acceptances include credit availed by the Group from banks for payment to suppliers for raw materials purchased by the Group. The arrangements are interest-bearing and are payable within one year.

ii) Trade payables are non interest bearing and generally settled within 90 days.

iii) The Group has compiled this information based on the current information in its possession as at March 31, 2026.

Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows :

(₹ in Million)

Dues to Micro, Small and Medium Enterprises (MSMEs)	As at March 31, 2026	As at March 31, 2025
Total amount dues to MSMEs as on Balance Sheet date		
- Principal amount due to MSMEs	118.52	240.69
- Interest on principal amount due to MSMEs	0.11	0.11
Total delayed payments to MSMEs during the year		
- Principal amount	—	—
- Interest on Principal amount	—	—
Total amount of interest paid to MSMEs during the year	—	—
Total interest accrued and remaining unpaid at the end of the year under MSMED Act	0.11	0.11
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	0.11	0.11

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Trade payables ageing schedule as at March 31, 2026

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	101.14	16.11	1.17	—	—	118.42
(ii) Others	1,741.25	331.55	3.38	0.91	1.18	2,078.27
(iii) Disputed Dues - MSME	—	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—	—
Total	**1,842.39**	**347.66**	**4.55**	**0.91**	**1.18**	**2,196.69**
(v) Unbilled Dues*						491.41
Total						**2,688.10**

* Unbilled represent accruals for expenses.

Trade payables ageing schedule as at March 31, 2025

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	230.03	10.53	0.01	0.13	—	240.70
(ii) Others	2,123.22	217.72	0.47	0.92	1.22	2,343.55
(iii) Disputed Dues - MSME	—	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—	—
Total	**2,353.25**	**228.25**	**0.48**	**1.05**	**1.22**	**2,584.25**
(v) Unbilled Dues*						445.93
Total						**3,030.18**

* Unbilled represent accruals for expenses.

Note 22 : Other current liabilities

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Statutory dues payable	58.23	106.02
Contract liabilities (advances from customers)	14.05	10.77
Total	**72.28**	**116.79**

Movement of contract liabilities for the reporting period given below :

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Contract Liabilities at the beginning of the year	10.77	18.37
Add / (Less) :		
Consideration received during the year as advance	387.52	749.24
Written back / refund / cancellation	(3.91)	(0.36)
Revenue recognized from contract liability	(380.29)	(756.48)
Contract Liabilities at the end of the year	**14.09**	**10.77**

Note 23 : Current tax liabilities (net)

(₹ in Million)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Provision for income tax (net of advance tax)	93.90	75.93
Total	**93.90**	**75.93**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 24 : Revenue from operations

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of Products		
Finished Goods	17,509.05	18,473.96
Traded Goods	623.35	1,097.37
Other Operating Revenue		
Scrap Sales	315.59	236.89
Sale of Electricity	0.21	0.81
Export incentives	3.70	—
Processing charges for job work	1.66	2.54
Provisions written back	2.51	7.47
Total	**18,456.07**	**19,819.04**

Details of finished goods sold

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Foundry Coke & BF Coke	20,809	663.54
Blooms and Rounds	17,243	1,188.61
Rolled Products	218,187	15,656.90
Total		**17,509.05**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Foundry Coke	19,391	628.38
Pig Iron	2,542	97.23
Blooms and Rounds	16,860	1,403.81
Rolled Products	218,709	16,344.54
Total		**18,473.96**

Details of traded goods sold

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Rolled Products	7,958	623.35
Total		**623.35**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Rolled Products	14,262	1,097.37
Total		**1,097.37**

Reconciliation of contract price with revenue

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contract price	18,134.27	19,577.67
Adjustment for :		
Contract liabilities : Discounts, incentives & late delivery charges	—	(2.99)
Revenue from contracts with customers	**18,134.27**	**19,574.68**

Details of amount of revenue recognized from opening contract liabilities

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Contract liabilities at the beginning of the year	10.77	18.37
Revenue recognized from opening contract liabilities	6.33	15.17

Note 25 : Other income

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest from deposits and loans, being financial assets carried at amortized cost	577.54	531.11
Profit on sale of Investments measured at FVTPL	13.83	17.98
Profit on sale of Property, plant and equipment	3.82	—
Net gain / (loss) on investments measured at FVTPL	2.65	2.47
Miscellaneous receipts*	3.37	1.17
Total	**601.21**	**552.73**

*Miscellaneous receipts includes cash discount received, cable hire charges etc.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 26 : Cost of raw materials consumed

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw material at the beginning of the year	1,243.62	1,057.14
Add : Purchases	9,441.89	10,529.18
Less : Sale of Raw Material	—	3.90
Less : Raw material at the end of the year	1,090.93	1,243.62
Total	**9,594.58**	**10,338.80**

Details of raw materials consumed

(₹ in Million)

Year ended March 31, 2026	Quantity in MTs	Amount
Coke / Coal / Coke Fines	161,618	4,671.10
Iron Ore / Iron Ore Fines / Mill Scale	381,298	2,443.82
Ferro Alloys		1,914.60
Others		565.06
Total		**9,594.58**

(₹ in Million)

Year ended March 31, 2025	Quantity in MTs	Amount
Coke / Coal / Coke Fines	165,493	5,436.26
Iron Ore / Iron Ore Fines / Mill Scale	392,876	2,584.29
Ferro Alloys		2,018.06
Others		300.19
Total		**10,338.80**

Note 27 : Purchases of traded goods

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rolled Products	583.91	1,035.77
Total	**583.91**	**1,035.77**

Note 28 :Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories at the end of the year		
Work in Progress	173.79	137.39
Finished Goods	538.19	572.01
Scrap at estimated realizable value	5.64	1.00
Stock in trade with subsidiary	845.33	845.33
	1,562.95	**1,555.73**
Inventories at the beginning of the year		
Work in Progress	137.39	245.92
Finished Goods	572.01	548.26
Finished Goods - Traded	—	—
Scrap at estimated realizable value	1.00	5.01
Stock in trade with subsidiary	845.33	845.33
	1,555.73	**1,644.52**
Total	**(7.22)**	**88.79**

Note 29 : Employee benefits expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	787.03	732.15
Gratuity (refer Note 37)	16.71	14.44
Contribution to provident fund and other funds*	34.97	50.58
Workmen and staff welfare expenses	28.89	35.79
Total	**867.60**	**832.96**

* Other funds include contribution towards employee state insurance scheme and profession tax.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 30 : Finance Costs

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses	76.01	177.27
Other borrowing costs*	10.37	8.39
Total	**86.38**	**185.66**

* Other borrowing costs includes L/C charges, Bank processing charges etc.

Note 31 : Depreciation and amortization expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Property, Plant and Equipment (refer Note 3)	568.97	632.87
Amortization of intangible assets (refer Note 4)	1.42	1.01
Total	**570.39**	**633.88**

Note 32 : Other expenses

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Manufacturing expenses :		
Stores and spares consumed	1,651.89	1,536.58
Job work and manufacturing charges	629.80	629.27
Power and fuel	347.58	394.07
Building and road repairs	16.06	30.01
Machinery repairs	115.85	133.71
Facility charges under strategic alliance	58.08	58.08
Total (a)	**2,819.26**	**2,781.72**
(b) Other expenses :		
Rent (short term or low value)	1.03	1.14
Rates and taxes	28.18	2.88
Insurance	40.18	31.03
Legal and Professional charges	37.45	37.72
Travelling and conveyance	31.33	32.33
Security Services	19.41	18.42
Branding Fees	60.88	64.10
CSR expenditure (refer Note 45)	60.63	59.00
Donations	0.50	50.40
Freight outward	469.13	474.65
Brokerage and commission	5.71	5.52
Payment to auditor (refer Note 33)	4.92	4.42
Directors' fees and travelling expenses	1.55	1.44
Directors' commission	36.65	36.75
Loss on Foreign Exchange Fluctuation (net)	18.31	5.00
Miscellaneous expenses*	169.22	186.31
Total (b)	**985.08**	**1,011.11**
Total (a + b)	**3,804.34**	**3,792.83**

* Miscellaneous expenses includes computer software charges, printing, stationery, postage, telephone etc.

Note 33 : Payment to auditors

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statutory audit	2.03	1.80
Tax audit	0.30	0.30
Limited reviews	1.88	1.80
Certifications	0.31	0.25
Out of pocket expenses reimbursed	0.40	0.27
Total	**4.92**	**4.42**

Note 34 : Income tax expense

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax expense	890.71	858.70
Deferred tax expense	6.85	35.79
Taxation in respect of earlier years	1.81	6.12
Total	**899.37**	**900.61**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

(₹ in Million)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	3,478.04	3,463.08
Applicable Statutory tax rate	25.168%	25.168%
Computed tax expense	875.35	871.59
CSR Expenses	15.26	14.85
Donation	0.13	12.68
Exempt Income	—	(4.61)
Taxation in respect of earlier years	1.81	6.12
Disallowance under Section 37	7.07	—
Others	(0.25)	(0.02)
Income tax expense	899.37	900.61

Note 35 : Earnings per Share

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net profit after tax (₹ in Million)	2,578.67	2,562.47
Weighted average number of equity shares	43,653,060	43,653,060
Basic and diluted earning per share of nominal value of ₹ 5/- each	59.07	58.70

The Group does not have any potential equity shares that would have a dilutive effect on the Earnings Per Share.

Note 36 : Contingencies and commitments

A Contingent liabilities

(₹ in Million)

	Particulars	As at March 31, 2026	As at March 31, 2025
i)	Claims against the Group not acknowledged as debts	102.57	99.11
ii)	Customs duty, excise duty and service tax, Goods and Service Tax - matter under appeal	362.26	256.00
iii)	Income tax matters under appeal	49.45	55.73
iv)	Iron ore supplier- rate difference claim - disputed	255.20	255.20
v)	Reimbursement for Forest Development Tax on Iron Ore claimed by supplier	33.49	33.49
vi)	Forest Development Tax / Fees*	1,364.50	1,159.17
	Total	**2,167.47**	**1,858.70**

* In response to a petition filed by the iron ore mine owners and purchasers (including the Company) contesting the levy of Forest Development Tax (FDT) on iron ore on the ground that the State does not have jurisdiction to legislate in the field of major minerals which is a central subject, the Honourable High Court of Karnataka vide its judgement dated December 3, 2015 directed refund of the entire amount of FDT collected by Karnataka State Government on sale of iron ore by private lease operators and National Mineral Development Corporation Limited (NMDC). The Karnataka State Government has filed an appeal before the Supreme Court of India ("SCI"). SCI has not granted stay on the judgement but stayed refund of FDT. The matter is yet to be heard by SCI. Based on merits of the case and supported by a legal opinion, the Company has not recognized provision for FDT of ₹ 1,364.50 Million as at March 31, 2026 (₹ 1,159.17 Million as at March 31, 2025) and treated it as a contingent liability.

B Capital and other commitments

(₹ in Million)

	Particulars	As at March 31, 2026	As at March 31, 2025
1	Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (net of advances)	181.77	361.69
2	Other Commitments on account of :		
	a) Purchase of Raw Material through E-Auction	—	46.11
	b) Supply of Gases - Minimum Take over Price	87.11	145.19
	Total	**268.88**	**552.99**

Note 37 : Provision for Employee benefits

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Compensated absences (refer Note A)		
Non-current	83.26	61.08
Current	25.34	21.72
Gratuity (refer Note B)		
Current	50.34	23.64

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

A) Compensated absences

The compensated absences cover the Group's liability for privilege leave.

I) Significant assumptions

The significant actuarial assumptions were as follows :

Kalyani Steels Limited

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.60%
Salary escalation rate	8.00%	9.00%
Retirement age	VP and above - 60 years Wholetime Director - 73 years Others - 55 years	VP and above - 60 years Wholetime Director - 73 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	10.00%	16.00%

Hospet Steels Limited (Joint Operation)

Particulars	March 31, 2026	March 31, 2025
Discount rate	6.70%	6.80%
Salary escalation rate	6.00%	7.00%
Retirement age	Staff - 58 years Workers - 60 years	Staff - 58 years Workers - 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	9.00%	9.00%

B) Gratuity

The Company has formed "Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme" to manage its gratuity obligations. The joint operation at Hospet Steels Limited has formed "Hospet Steels Employees Gratuity Trust" to manage its gratuity obligations. The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance company - Life Insurance Corporation of India. Every permanent employee is entitled to a benefit as per policy of the Company of the last drawn salary for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity as well as level of under funding of the plan.

I) The amounts recognized in balance sheet and movements in the net benefit obligation over the year are as follows :

(₹ in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**190.10**	**(177.43)**	**12.67**
Current service cost	14.15	—	14.15
Interest expense / (income)	13.27	(12.98)	0.29
Total amount recognized in Statement of Profit and Loss	**27.42**	**(12.98)**	**14.44**
Experience gain / loss	13.87	(0.87)	13.00
Total amount recognized in Other Comprehensive Income	**13.87**	**(0.87)**	**13.00**
Benefits paid	(11.89)	11.89	—
Contribution	—	(16.97)	(16.97)
Mortality	—	0.50	0.50
March 31, 2025	**219.50**	**(195.86)**	**23.64**
Provision for Gratuity refer Note 18(b)			**23.64**

(₹ in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2025	**219.50**	**(195.86)**	**23.64**
Current service cost	17.12	—	17.12
Past service cost	58.57	—	58.57
Interest expense / (income)	14.09	(14.50)	(0.41)
Total amount recognized in Statement of Profit and Loss	**89.78**	**(14.50)**	**75.28**
Experience gain / loss	10.87	(1.77)	9.10
Total amount recognized in Other Comprehensive Income	**10.87**	**(1.77)**	**9.10**
Benefits paid	(17.41)	11.85	(5.56)
Contribution	—	(52.72)	(52.72)
Mortality	—	0.59	0.59
March 31, 2026	**302.74**	**(252.41)**	**50.33**
Provision for Gratuity refer Note 18(b)			**50.33**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

II) The net liability disclosed above relates to funded plans (including Joint Operations) are as follows :

(₹ in Million)

Particulars	March 31, 2026	March 31, 2025
Present value of funded obligation	302.74	219.50
Fair value of plan assets	(252.41)	(195.86)
Deficit of funded plan	**50.33**	**23.64**

III) Significant estimates :

The significant actuarial assumptions were as follows :

Kalyani Steels Limited

Particulars	March 31, 2026	March 31, 2025
Discount rate	7.20%	6.60%
Salary growth rate	8.00%	9.00%
Attrition rate	10.00%	16.00%
Retirement age	M1 category - 60 years Wholetime Director - 73 years Others - 55 years	M1 category - 60 years Wholetime Director - 73 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Hospet Steels Limited (Joint Operation)

Particulars	March 31, 2026	March 31, 2025
Discount rate	6.70%	7.20%
Salary growth rate	6.00%	8.00%
Attrition rate	9.00%	9.00%
Retirement age	Staff - 58 years Workers - 60 years	Staff - 58 years Workers - 60 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

IV) Sensitivity analysis :

The sensitivity of defined obligation to changes in the weighted principal assumptions (including Joint Operations) is :

(₹ in Million)

Assumption	Impact on defined benefit obligation	Impact on defined benefit obligation
	March 31, 2026	March 31, 2025
Discount rate		
1% decrease	11.58	8.47
1% increase	(10.68)	(7.80)
Future salary increase		
1% decrease	(8.59)	(6.16)
1% increase	9.12	6.54
Attrition rate		
1% decrease	0.18	0.38
1% increase	(0.17)	(0.35)

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following payments are expected future benefit payments (including Joint Operations) :

(₹ in Million)

Particulars	March 31, 2026	March 31, 2025
Less than a year	94.66	71.18
Between 1 - 2 years	33.52	27.52
Between 2 - 5 years	161.78	87.88
Over 5 years	122.71	111.76
Total	**412.67**	**298.34**

The weighted duration of the defined obligation is 10.68 years (March 31, 2025 - 8.84 years)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

V) The major categories of plan assets are as follows

Particulars	March 31, 2026	March 31, 2025
Unquoted - Insurer managed funds*	100.00%	100.00%

* The Group maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2026 is considered to be the fair value.

VI) The Group expects to contribute ₹ 35.93 Million to the gratuity fund in the next year.

C) Superannuation plan

The Company and its Joint Operation has formed "Kalyani Steels Limited Officers' Superannuation Scheme" and "Hospet Steels Limited Employees Superannuation Trust" respectively to manage its superannuation scheme through Life Insurance Corporation of India. Contributions are made at 15% of basic salary for employees covered under the superannuation scheme. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 12.81 Million (March 31, 2025 : ₹ 12.36 Million).

D) Risk Exposure

Through its defined benefit plan, the Group is exposed to a number of risks, the most significant of which are detailed below :

Asset Volatility : All plan assets for gratuity and superannuation are maintained in a trust managed by a public sector insurer viz, LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

Asset volatility risk for provident fund : The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income fund, manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Group intends to maintain the above investment mix in the continuing years.

Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of plans' bond holdings.

Life expectancy : This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Future salary increase and inflation risk : Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk : Risk arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements. The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

Note 38 : Related Party Transactions

A) Name of the related parties and nature of relationship
(i) Where control exists

Subsidiary	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
DGM Realties Private Limited	100.00%	99.66%

The principal place of business of the subsidiary is India and the Company had accounted for its investment in subsidiary at cost.

Joint operation	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Hospet Steels Limited	49.99%	49.99%

The principal place of business of the joint operation is India. The principal business is to act as a management company for strategic alliance arrangement between Kalyani Steels Limited and Mukand Limited.

Other related parties

a) Structured entities

i) Kalyani Steels Limited Non Bargainable Staff Provident Fund

ii) Kalyani Steels Limited Officers' Superannuation Scheme

iii) Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme

iv) Hospet Steels Employees Gratuity Trust

v) Hospet Steels Limited Employees Superannuation Trust

b) Enterprise where in the Company is an Associate

i) BF Investment Limited

c)

Associate	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Kalyani Mukand Limited	50.00%	50.00%

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

B) Other related parties with whom transactions have taken place during the year
Entities under common control
i) Bharat Forge Limited
ii) Kalyani Technoforge Limited
iii) Kalyani Transmission Technologies Private Limited
iv) Saarloha Advanced Materials Private Limited
v) Baramati Speciality Steels Limited
vi) Kalyani Investment Company Limited
vii) Kudje Management Services Private Limited
viii) Vishwasarh Finance Private Limited
ix) BF Utilities Limited
x) SBK Properties Private Limited

C) Promoter / Promoter Group having 10% or more shareholding
i) Sundaram Trading & Investment Private Limited
ii) BF Investment Limited

Key Management Personnel
i) Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director
ii) Mrs.Sunita B. Kalyani, Non-Executive Director
iii) Mr.Amit B. Kalyani, Non-Executive Director
iv) Mr.S.M. Kheny, Non-Executive Director (up to July 15, 2024)
v) Mr.M.U. Takale, Non-Executive Director
vi) Mr.Arun P. Pawar, Independent Director (up to September 4, 2024)
vii) Mr.Sachin K. Mandlik, Independent Director (up to November 8, 2025)
viii) Mr.S.K. Adivarekar, Independent Director
ix) Mrs.Shruti A. Shah, Independent Director
x) Amb.Ahmad Javed, Independent Director
xi) Mr.S.G. Joglekar, Independent Director
xii) Mr.Kartik Bharat Ram, Non-Executive Director
xiii) Mr.Raju S. Tolani, Independent Director
xiv) Mr.Bal Mukand Maheshwari, Chief Financial Officer
xv) Mrs.Deepti R. Puranik, Company Secretary
xvi) Mr.R.K. Goyal, Managing Director

Entities in which KMPs have significant influence
i) Kalyani Strategic Management Services Private Limited
ii) Kalyani Center for Precision Technology Limited

(₹ in Million)

I	Key management personnel compensation	March 31, 2026	March 31, 2025
i)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	14.13	14.05
ii)	Mrs.Sunita B. Kalyani, Non-Executive Director	1.56	1.52
iii)	Mr.Amit B. Kalyani, Non-Executive Director	13.70	14.01
iv)	Mr.S.M. Kheny, Non-Executive Director	—	0.25
v)	Mr.M.U. Takale, Non-Executive Director	1.05	1.02
vi)	Mr.Arun P. Pawar, Independent Director	—	0.50
vii)	Mr.Sachin K. Mandlik, Independent Director	0.52	1.01
viii)	Mr.S.K. Adivarekar, Independent Director	1.06	1.03
ix)	Mrs.Shruti A. Shah, Independent Director	1.05	1.02
x)	Amb.Ahmad Javed, Independent Director	1.03	0.50
xi)	Mr.S.G. Joglekar, Independent Director	1.12	1.07
xii)	Mr.Kartik Bharat Ram, Non-Executive Director	1.03	0.50
xiii)	Mr.Raju S. Tolani, Independent Director	1.03	0.50
xiv)	Mr.Bal Mukand Maheshwari, Chief Financial Officer	17.73	17.08
xv)	Mrs.Deepti R. Puranik, Company Secretary	8.50	7.69
xvi)	Mr.R.K. Goyal, Managing Director	161.54	153.21
	Total	**225.05**	**214.96**

(₹ in Million)

II	Dividend Paid	March 31, 2026	March 31, 2025
i)	Sundaram Trading & Investment Private Limited	77.67	77.67
ii)	BF Investment Limited	170.52	170.52
iii)	Ajinkya Investment and Trading Company	32.62	32.62
iv)	KSMS Technologies Solutions Private Limited	0.70	0.70
v)	Ajinkyatara Trading Company Limited	0.03	0.03
vi)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	0.01	0.01
vii)	Mrs.Sunita B. Kalyani, Non-Executive Director	0.55	0.55
viii)	Mr.Amit B. Kalyani, Non-Executive Director	0.32	0.32
ix)	Mrs.Deeksha A. Kalyani	—	—
x)	Mr.S.M. Kheny, Non-Executive Director	—	—
xi)	Mr.M.U. Takale, Non-Executive Director	0.03	0.03
xii)	Mrs.Sugandha J. Hiremath & Mr.Jai V. Hiremath	0.03	0.03
	Total	**282.48**	**282.48**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

III	Transactions with related parties	March 31, 2026	March 31, 2025
A	**Sale of goods**		
i)	Bharat Forge Limited	4,732.00	5,161.52
ii)	Kalyani Technoforge Limited	3,201.35	3,494.67
iii)	Kalyani Transmission Technologies Private Limited	857.48	1,696.83
iv)	Saarloha Advanced Materials Private Limited	110.55	147.89
B	**Purchase of goods**		
i)	Bharat Forge Limited	9.17	10.23
ii)	Saarloha Advanced Materials Private Limited	631.80	1,068.67
iii)	Baramati Speciality Steels Limited	0.04	0.08
C	**Reimbursement of expenses received**		
i)	Kalyani Investment Company Limited	4.70	3.60
ii)	Saarloha Advanced Materials Private Limited	10.57	7.78
iii)	Bharat Forge Limited	—	2.60
D	**Conversion charges paid**		
i)	Saarloha Advanced Materials Private Limited	111.23	132.89
ii)	Baramati Speciality Steels Limited	67.23	80.05
E	**Reimbursement of expenses paid**		
i)	Bharat Forge Limited	19.81	49.21
ii)	Saarloha Advanced Materials Private Limited	1.68	—
iii)	Kudje Management Services Private Limited	—	1.70
F	**Branding Fees paid**		
i)	Kalyani Strategic Management Services Private Limited	60.88	64.65
G	**Computer hardware purchase**		
i)	Peach Blossom Investment Private Limited	0.34	0.07
H	**CSR expenses**		
i)	Akutai Kalyani Charitable Trust	57.89	56.35
I	**Sale of investment**		
i)	Kudje Management Services Private Limited	—	0.02
J	**Supervision Charges**		
i)	Synise Technologies Limited	2.57	2.79
K	**Employee benefit expense**		
i)	Kalyani Steels Limited Officers' Superannuation Scheme	1.61	2.30
ii)	Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme	12.54	8.30
iii)	Hospet Steels Employees Gratuity Trust	40.18	8.53
iv)	Hospet Steels Limited Employees Superannuation Trust	11.20	10.13

(₹ in Million)

IV	Outstanding balances	As at March 31, 2026	As at March 31, 2025
A	**Trade Payables**		
i)	Bharat Forge Limited	20.20	2.29
ii)	Saarloha Advanced Materials Private Limited	77.98	93.01
iii)	Baramati Speciality Steels Limited	0.84	8.71
iv)	Kalyani Strategic Management Services Private Limited	1.60	19.13
v)	Kalyani Technoforge Limited	0.97	1.60
vi)	Synise Technologies Limited	0.61	0.76
	Total trade payables from related parties	102.20	125.50
B	**Trade Receivables**		
i)	Bharat Forge Limited	958.41	1,206.29
ii)	Kalyani Technoforge Limited	1,783.66	1,269.36
iii)	Kalyani Transmission Technologies Private Limited	—	445.91
iv)	Saarloha Advanced Materials Private Limited	21.61	27.80
v)	Baramati Speciality Steels Limited	—	—
vi)	Kalyani Investment Company Limited	0.70	0.46
	Total trade receivables from related parties	2,764.38	2,949.82

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

IV	Outstanding balances	As at March 31, 2026	As at March 31, 2025
C	**Key management personnel compensation payable**		
i)	Mr.B.N. Kalyani, Chairman, Promoter Non-Executive Director	14.00	14.00
ii)	Mrs.Sunita B. Kalyani, Non-Executive Director	1.50	1.50
iii)	Mr.Amit B. Kalyani, Non-Executive Director	13.65	14.00
iv)	Mr.S.M. Kheny, Non-Executive Director	—	0.25
v)	Mr.M.U. Takale, Non-Executive Director	1.00	1.00
vi)	Mr.Arun P. Pawar, Independent Director	—	0.50
vii)	Mr.Sachin K. Mandlik, Independent Director	0.50	1.00
viii)	Mr.S.K. Adivarekar, Independent Director	1.00	1.00
ix)	Mrs.Shruti A. Shah, Independent Director	1.00	1.00
x)	Amb.Ahmad Javed, Independent Director	1.00	0.50
xi)	Mr.S.G. Joglekar, Independent Director	1.00	1.00
xii)	Mr.Kartik Bharat Ram, Non-Executive Director	1.00	0.50
xiii)	Mr.Raju S. Tolani, Independent Director	1.00	0.50
xiv)	Mr.Bal Mukand Maheshwari, Chief Financial Officer	1.00	0.80
xv)	Mrs.Deepti R. Puranik, Company Secretary	0.40	0.40
xvi)	Mr.R.K. Goyal, Managing Director	63.63	64.32
	Total	**101.68**	**102.27**

(₹ in Million)

V	Compensation to key management personnel	Year Ended March 31, 2026	Year Ended March 31, 2025
	Short-term employee benefits	181.11	171.96
	Post-employment benefits	6.66	6.02

As the future liability for gratuity is provided on an actuarial basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

VI Terms and conditions for outstanding balances

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders. The sale and purchase transactions were on the normal commercial terms and at market rates. The outstanding balances as on year end are unsecured and will be settled in monetary terms.

Note 39 : Fair value measurements

Financial assets and liabilities at amortized cost

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Security deposits	153.60	137.63
Trade receivables	4,963.39	4,313.45
Cash and cash equivalents	767.04	143.06
Other Bank Balances	7,481.58	7,333.79
Interest Accrued and Others	367.61	321.16
Bank deposits with maturity more than twelve months	160.08	46.32
Total financial assets	13,893.30	12,295.41
Financial liabilities		
Borrowings	4,750.26	4,375.97
Trade payables	2,688.10	3,030.22
Other financial liabilities	899.57	459.57
Total financial liabilities	8,337.93	7,865.76

Financial assets and liabilities classified as FVTPL

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in 10% Non-Cumulative Redeemable Preference shares	28.83	26.20
Investments in Mutual Funds	1.11	4.54
Fully paid Equity Shares of ₹ 10/- each of Clean Renewable Energy KK1A Private Limited & Clean Renewable Energy KK1B Private Limited	81.24	—

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
Investment in Preference shares			
March 31, 2026	—	—	28.83
March 31, 2025	—	—	26.20
Investments in Mutual Funds			
March 31, 2026	1.11	—	—
March 31, 2025	4.54	—	—
Investments in Equity Shares			
March 31, 2026	—	81.24	—
March 31, 2025	—	—	—

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value for preference shares is determined using discounted cash flow analysis (Baramati Speciality Steels Limited).

iii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes. This team appoints external valuation experts whenever the need arises for Level 3 fair valuation. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every year, in line with the Group's annual reporting period.

iv) Fair value of financial assets and liabilities measured at amortized cost

The management assessed that the fair value of Financial assets and liabilities carried at amortized cost approximate their carrying amounts largely due to maturities of these instruments.

v) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 items :

(₹ in Million)

Particulars	Preference shares	Total
As at April 1, 2025	**26.20**	**26.20**
Gains / (losses) recognized in profit or loss	2.63	2.63
As at March 31, 2026	**28.83**	**28.83**

vi) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value :

Particulars	Significant unobservable inputs	
	March 31, 2026	March 31, 2025
1) Preference shares i) Discount rate	10.00%	10.00%

Note 40 : Interest in other entities

A) Subsidiary

Particulars	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
DGM Realties Private Limited	100.00%	99.66%

The principal place of business of the subsidiary is India. The principal business is development of immovable property and to undertake civil construction activities. During the year, the Parent company has acquired 10,000 shares in DGM Realties Private Limited resulting in holding 100% of the paid-up equity share capital of DGM Realties Private Limited. Consequently, DGM Realties Private Limited has become wholly owned subsidiary of Parent Company.

B) Associate

Particulars	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Kalyani Mukand Limited	50%	50%

The principal place of business of the associate is India. Currently, the Company does not carry any business.

C) Joint operation

Particulars	Ownership interest held by the Company	
	March 31, 2026	March 31, 2025
Hospet Steels Limited	49.99%	49.99%

The principal place of business of the joint operation is India. The voting rights in the joint operation are 49.99%. The principal business is to act as a management company for strategic alliance arrangement between Kalyani Steels Limited and Mukand Limited.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

D) Structured entities

Sr. No.	Particulars	Place of business	Principal activities
i)	Kalyani Steels Limited Non Bargainable Staff Provident Fund	India	Employee benefit trust
ii)	Kalyani Steels Limited Officers' Superannuation Scheme	India	Employee benefit trust
iii)	Kalyani Steels Limited Employees' Group Gratuity cum Life Assurance Scheme	India	Employee benefit trust
iv)	Hospet Steels Employees Gratuity Trust	India	Employee benefit trust
v)	Hospet Steels Limited Employees Superannuation Trust	India	Employee benefit trust

E) Individually immaterial associate

The group has interest in Kalyani Mukand Limited (individually immaterial associate) that is accounted using equity method :

Particulars	March 31, 2026	March 31, 2025
Aggregate carrying amount of individually immaterial associate	—	—
Aggregate amount of group's share* of :		
Loss of associate	—	—
Other comprehensive income of associate	—	—

*Loss restricted to the extent of amount of investment in associate

F) Non-Controlling interest

Set out below is the summarized financial information for subsidiary - DGM Realties Private Limited that had non-controlling interest i.e. not material to the Group. The amounts disclosed are before inter-company eliminations.

Summarized Balance Sheet

(₹ in Million)

Particulars	March 31, 2026	March 31, 2025
Non-current assets	0.18	45.52
Current assets	1,374.28	1,301.69
Total Assets	1,374.46	1,347.21
Current liabilities	0.12	0.18
Non-current liabilities	0.01	0.02
Total Liabilities	0.13	0.20
Reserves & Surplus	54.63	27.31
Total Liabilities and Reserves	54.76	27.51
Net Assets (A)	1,319.70	1,319.70
Attributable to Non-Controlling Interest	—	1.06
Attributable to Parent	1,319.70	1,318.64
Net Consideration by Parent	1,361.72	1,360.00
Capital Reserve (Initial)	(41.36)	(41.36)
Adjustment on Non-Controlling Interest Acquisition	(0.66)	—
Capital Reserve Net	(42.02)	(41.36)

Summarized statement of Profit and Loss

(₹ in Million)

Particulars	2025-26	2024-25
Total revenue	36.83	36.01
Total expense	0.32	0.13
Profit / (loss) before tax	36.51	35.88
Exceptional Items	—	—
Tax expense	(9.19)	(3.79)
Profit / (loss) after tax	27.32	32.09
Other comprehensive income net of tax	—	—
Total comprehensive income net of tax	27.32	32.09
Attributable to Non-Controlling Interests	0.02	0.01

Summarized Cash flow

(₹ in Million)

Particulars	2025-26	2024-25
Net Cash Flows from Operating Activities	1,407.63	3,818.33
Net Cash Flows from Investing Activities	(1,050.51)	(1,349.50)
Net Cash Flows from Financing Activities	(420.84)	(2,519.45)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 41 : Disclosure in terms of Schedule III of the Companies Act, 2013

As at March 31, 2026

Name of the entity in the Group	Net Asset i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (₹ in Million)	As a % of consolidated profit	Amount (₹ in Million)	As a % of consolidated other comprehensive income	Amount (₹ in Million)	As a % of consolidated total comprehensive income	Amount (₹ in Million)
Parent								
Kalyani Steels Limited	99.75%	20,996.03	98.94%	2,551.27	2,383%	(163.04)	92.86%	2,388.23
Subsidiaries								
Indian								
DGM Realties Private Limited	6.53%	1,374.33	1.06%	27.32	—	—	1.06%	27.32
Non Controlling Interest	—	—	—	0.02	—	—	—	0.02
Adjustments arising out of consolidation	(6.28%)	(1,321.19)	—	0.07	(2,283%)	156.20	6.08%	156.27
Total		**21,049.17**		**2,578.67**		**(6.84)**		**2,571.83**

As at March 31, 2025

Name of the entity in the Group	Net Asset i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (₹ in Million)	As a % of consolidated profit	Amount (₹ in Million)	As a % of consolidated other comprehensive income	Amount (₹ in Million)	As a % of consolidated total comprehensive income	Amount (₹ in Million)
Parent								
Kalyani Steels Limited	100.68%	19,044.33	98.75%	2,530.34	(370.88%)	36.07	100.50%	2,566.41
Subsidiaries								
Indian								
DGM Realties Private Limited	7.12%	1,347.01	1.25%	32.11	—	—	1.30%	32.11
Non Controlling Interest	0.01%	1.06	—	0.01	—	—	—	0.01
Adjustments arising out of consolidation	(7.81%)	(1,476.73)	—	(0.09)	470.88%	(45.80)	(1.80%)	(45.89)
Total		**18,915.67**		**2,562.37**		**(9.73)**		**2,552.64**

Note 42 : Financial risk management

The Group is exposed to risks such as changes in foreign currency exchange rates and interest rates. Presented below is a description of the risks (market risk, credit risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

I) 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 the market prices. The Group is exposed in the ordinary course of business to risks related to changes in foreign currency exchanges rates, commodity prices and interest rates.

A) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

i) Foreign currency risk exposure

The Group's exposure to foreign currency risk (in USD) at the end of reporting period in INR (Million), is as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets		
Trade receivables	55.42	—
Net exposure to foreign currency risk (assets)	**55.42**	**—**
Financial liabilities		
Trade payables	1,042.77	1,398.86
Interest accrued	14.32	5.46
Net exposure to foreign currency risk (liabilities)	**1,057.09**	**1,404.32**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

The sensitivity of pre tax profit or loss and pre tax equity to changes in foreign exchange rates with respect to year end payable / receivable balances in INR (Million) is as follows :

Particulars	Impact on pre tax profit or loss and pre tax equity	
	March 31, 2026	March 31, 2025
USD		
Increase by 1%*	10.02	14.04
Decrease by 1%*	(10.02)	(14.04)

*Holding all other variables constant

ii) Commodity Price risk :

The Group's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Group. These prices may be influenced by factors such as supply and demand, production costs (including the cost of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Group earns from the sale of its steel products. The Group is also subject to fluctuations in prices for the purchase of iron ore, metallurgical coke, coking coal, ferro alloys, scrap and other raw material inputs.

Commodity Price Sensitivity : The Group has a back to back pass through arrangement for volatility in raw material prices for most of the customers. The selling prices of steel and the prices of input raw material move in the same direction. However in few cases there may be a lag effect in case of such pass through arrangements and might have some effect on the Group's profit and equity.

B) Interest risk

The Group had borrowings at variable interest rate. Profit or loss and equity are sensitive to higher / lower interest expense from borrowings as a result of change in the interest rates. The following sensitivity analysis has been performed for non-current and current borrowings :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Total borrowings at variable interest rate	—	—
Interest rate swaps	—	—
Net exposure to interest rate risk	—	—

Particulars	Impact on pre tax profit or loss and pre tax equity	
	March 31, 2026	March 31, 2025
Increase of interest rate by 0.5%*	NA	NA
Decrease of interest rate by 0.5%*	NA	NA

*Holding all other variables constant

II) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

i) Maturities of financial liabilities

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities :

(₹ in Million)

March 31, 2026	Less than 1 year	More than 1 year
Non-derivative		
Borrowings	4,750.26	—
Trade payables	2,688.11	—
Other financial liabilities	318.40	581.18

(₹ in Million)

March 31, 2025	Less than 1 year	More than 1 year
Non-derivative		
Borrowings	4,375.97	—
Trade payables	3,030.22	—
Other financial liabilities	246.90	212.68

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

III) Credit risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

The balances with banks, loans given to employees and associated Group, security deposits are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

A) Trade receivables

Senior management is responsible for managing and analyzing the credit risk for each of their new clients before standard payment, delivery terms and conditions are offered. The Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment. The utilization of credit limits is regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for all customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10.

i) Expected credit loss for trade receivables under simplified approach :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered goods - Secured	—	—
Considered goods - Unsecured	4,990.12	4,340.18
Trade Receivables which have significant increase in credit risk	—	—
Trade Receivables - Credit Impaired	26.73	26.73
Expected loss rate	0.54%	0.62%
Expected credit losses (loss allowance provision)*	26.73	26.73
Carrying amount of trade receivables (net of impairment)	**4,963.39**	**4,313.45**

* Expected Credit Losses based on analysis of historical ageing trends is negligible as significant portion of receivable are from Related Parties where management does not expected credit losses as well as past trends. The Loss allowance provision represents provision against specific customer.

ii) Reconciliation of loss allowance provision - trade receivables

(₹ in Million)

Loss allowance as on March 31, 2024	**26.73**
Changes in loss allowance	—
Loss allowance as on March 31, 2025	**26.73**
Changes in loss allowance	—
Loss allowance as on March 31, 2026	**26.73**

Note 43 : Capital management

The Group's objective when managing capital is to :

- safeguard its ability to continue as a going concern, so that the Group can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long term and short term borrowings. The Group's policy is aimed at combination of short-term and long-term borrowings. The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Total debt includes all long and short-term debts as disclosed in Note 15 and Note 20 to the financial statements.

The capital structure of the Group is as follows :

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	4,750.26	4,375.97
Equity	21,049.17	18,915.67
Debt equity ratio	**0.23**	**0.23**

i) In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

ii) There have been no breaches in the Financial covenants of any interest bearing loans and borrowings in the current period.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 44 : Ratios

The following are analytical ratios for the year ended March 31, 2026

Sr. No.	Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	2.14	1.95	9%
2	Debt Equity Ratio (in times)[1]	Debt	Equity	0.23	0.18	26%
3	Debt Service Coverage Ratio (in times)[2]	Earnings for Debt Service*	Debt Service**	37.45	18.22	106%
4	Return on equity (in %)	Net Profit After Tax	Average Shareholders' Equity	12.91%	14.35%	(10%)
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	3.04	3.20	(5%)
6	Trade Receivable Turnover Ratio (in times)	Net sales	Average Accounts Receivable	3.91	4.59	(15%)
7	Trade Payable Turnover Ratio (in times)	Net Purchases	Average Accounts Payable	4.49	5.63	(20%)
8	Net Capital Turnover Ratio (in times)	Net sales	Working Capital	1.99	2.60	(23%)
9	Net Profit Ratio (in %)	Net Profit	Net Sales	14.22%	13.09%	9%
10	Return on Capital Employed (in %)	Earning Before Interest & Tax	Capital Employed	13.99%	16.20%	(14%)
11	Return on Investment (Quoted) (in %)	Income Earned from Investment	Closing investment	6.01%	7.28%	(17%)
12	Return on Investment (Un-Quoted) (in %)[3]	Income Earned from Investment	Closing investment	2.41%	9.41%	(74%)

* Earnings for Debt Service : Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

** Debt Service : Interest on borrowings and other finance charges

1 Due to increase in short term borrowings.

2 Due to reduction in interest cost of FCL.

3 Due to increase in new investment in Q4 without corresponding returns.

Note 45 : Corporate social responsibility (CSR)

(₹ in Million)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i)	Amount required to be spent by the Group during the year	60.37	58.95
ii)	Amount of expenditure incurred (including set off availed)	61.16	59.48
iii)	Shortfall / (Excess) at the end of the year	(0.79)	(0.53)
iv)	Total of previous years shortfall / (excess)	(0.53)	(0.48)
v)	Nature of shortfall	NA	NA
vi)	Nature of CSR activities	Health and Education	Health and Education
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	Akutai Kalyani Charitable Trust	Akutai Kalyani Charitable Trust
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

Note 46 : Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors has been identified as the chief operating decision maker.

The Group has organized its operating segments based on product groupings. These operating segments have been aggregated into one reportable business segment : 'Forging and Engineering quality carbon and alloy steels'.

Following are major customers, which contribute more than 10% to the Revenues of the Group. The details are as under :

(₹ in Million)

Name of Customer	Year ended March 31, 2026	Year ended March 31, 2025
Bharat Forge Limited	4,732.00	5,161.52
Kalyani Technoforge Limited and its subsidiary	4,058.83	5,191.50

Total revenues from sales to customers outside India for the year ended March 31, 2026 and March 31, 2025 was ₹ 108.22 Million and ₹ 139.69 Million respectively which does not exceeds the required criteria for secondary segment reporting.

All assets are in India.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued) :

Note 47 : (Net debt) / Surplus reconciliation

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	767.04	143.06
Current borrowings	(4,750.26)	(4,375.97)
Non-current borrowings	—	—
(Net Debt) / Surplus	**(3,983.22)**	**(4,232.91)**

Note 48 : Assets hypothecated as security

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
First charge		
Current Asset (Stock & Book Debts)	4,500.00	—
Fixed Deposits with Union Bank of India*	830.08	—

* The charge created on Fixed Deposits in the name of the Company with Union Bank of India has been restricted to the value of Fixed Deposits outstanding with the bank as of March 31, 2026.

Note 49 : There is no proceeding initiated or pending against the Group for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 50 : During the year ended March 31, 2026, the Group was not party to any approved scheme which needs approval from competent authority in terms of Sections 230 to 237 of the Companies Act, 2013.

Note 51 : As per the information available with the Group, no transactions have been entered with any company struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

Note 52 : The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 53 : The Group has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.

Note 54 : The Group has a process whereby periodically all long-term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long-term contracts (including derivative contracts) has been made in the books of accounts.

Note 55 : The Group has not been declared as a wilful defaulter by any lender who has powers to declare a Group as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

Note 56 : On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has assessed and estimated the incremental impact of these changes on the basis of information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and non-recurring nature of this impact on employee benefits, the Group has accounted ₹ 79.26 Million in the current year as “Exceptional Items” in the statement of profit and loss account. The impact primarily arises due to change in wage definition. The Group continues to monitor the finalization of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and impact of these if any, will be evaluated and accounted for in accordance with applicable accounting standards in the period in which they are notified.

Note 57 : The Group 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.

Note 58 : Previous year figures have been regrouped / reclassified wherever necessary to conform with current year's classification / disclosure.

As per our attached Report of even date

For KIRTANE & PANDIT LLP
Chartered Accountants
Firm Registration No.105215W/W100057

For and on behalf of the Board of Directors

Suhrud Lele
Partner
Membership No.121162

Mrs.D.R. Puranik
Company Secretary
Membership Number : ACS7475

B.M. Maheshwari
Chief Financial Officer
Membership Number : 047903

R.K. Goyal
Managing Director
DIN : 03050193

B.N. Kalyani
Chairman
DIN : 00089380

Pune
Date : May 8, 2026

Pune
Date : May 8, 2026

NOTES

KALYANI STEELS LIMITED
Mundhwa, Pune - 411036
Maharashtra, INDIA