

NEWMALAYALAM STEEL LIMITED

(Formerly known as Newmalayalam Steel Private Limited)

(CIN: L27209KL2017PLC048762)

DOOR NO: 2/546/A & 2/546/B MALA, PALLIPURAM P O, MALA, THRISSUR, KERALA, INDIA, 680732

02nd September, 2025

To
National Stock Exchange of India
Listing Compliance Department,
Exchange Plaza, 5th Floor,
Plot No. C/1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai-400051

Company Symbol: NMSTEEL; ISIN: INE0TP801012

Dear Sir/Madam,

Sub: Submission of Annual Report of the Company for the Financial Year ending on 31st March, 2025 along with Notice convening the 08th Annual General Meeting as per Regulation 34 of SEBI (LODR) Regulation 2015.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, enclosed herewith a copy of the Annual Report for the financial year ended 31st March, 2025 including the Notice of the 08th Annual General Meeting of the Company to be held on Friday, September 26, 2025 at 03:30 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

Kindly acknowledge the receipt and take the same on your record.

Further, in terms of Regulation 46 of Listing Regulations, the Annual Report along with the Notice of Annual General Meeting is also available on the website of the Company www.demacsteel.com.

Thanking you,

Yours faithfully,

For, Newmalayalam Steel Limited

Varghese Vazhappily Davis
Managing Director
DIN: 07763636

Enclose as above

NEWMALAYALAM STEEL LIMITED

(Formerly Known As NEWMALAYALAM STEEL PRIVATE LIMITED)

08TH ANNUAL REPORT

2024-25

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COMPANY OVERVIEW

NewMalayalam Steel Limited, established in 2017, is a company which is led by experienced professionals in the Steel Tube Sector. We provide a full range of pipe and tube solutions to a variety of needs especially in the South Indian market.

We operate state-of-the-art facilities, producing a wide range of galvanized steel pipes, GP tubes, and MS tubes and pipes. Our products meet the highest standards for corrosion resistance, durability, and performance. We serve contractors, builders, and homeowners across Kerala and beyond, providing tailored solutions for construction, plumbing, and industrial applications.

One of our major milestones is receiving the National Award from the Council of State Industrial Development and Investment Corporation of India (COSIDICI). Another feather in our cap is the KERALA FINANCIAL CORPORATION (KFC) – State award for the best industry.

OUR PRODUCTS

As a leading steel tubes and pipes manufacturer and supplier, we take pride in offering a comprehensive range of high-quality steel products that cater to diverse industrial and construction needs. Our commitment to excellence and customer satisfaction has made us a trusted name in the steel industry.

Our product portfolio includes a wide variety of steel tubes and pipes, catering to different applications and requirements. Whether you need seamless, galvanized or black, we have the perfect solution for your project. Our steel tubes and pipes are available in various sizes, wall thicknesses, and specifications, ensuring compatibility with diverse projects and applications.

DEMAC Circular Tubes

Circular hollow sections, also known as round steel tubes, are a common type of steel section that is used in a variety of formats over various industries in India.

These steel sections are rolled from a steel sheet or slit coil. The slit strip of steel coil goes through a forming and sizing section in a normal cold forming steel mill. The mill consists of a number of passes through which the sheet is gradually formed, each pass bending the steel sheet more and changing the radius on each pass. This is done until the two ends of the steel are pressed together and then welded inline. Application of DEMAC Circular tube includes

- Truss Works
- Gate Structures
- Rollers
- Shafts
- Bushings And more

DEMAC Rectangular Tubes

Hot rolled rectangular steel tubes are ideal for structural applications, general fabrication, repairs and manufacturing. Its box-shape design allows for increased

strength and rigidity over other shapes of hot rolled steel. Hot rolled rectangular steel tubes are easy to cut, weld, form and machine.

DEMAC Steel rectangular tube is a versatile solution for:

- Building construction/architecture
- Automobiles and related equipment (trailers, etc.)
- Industrial equipment
- Solar panel frames
- Home appliances
- Aircraft/aerospace
- Restaurant furniture & décor
- Signage
- Truck beds
- Agricultural equipment


DEMAC Square Tubes

DEMAC square steel tubing is valued for its overall strength, durability and ability to withstand extreme temperatures, pressures and a wide range of elements. Square steel tubing is regularly used for domestic and industrial applications and is easily welded, formed and drilled. Measurement considerations for hot rolled steel tubing include size, length, and wall thickness.

Applications for DEMAC square steel tube include:

- Truck beds
- Trailer beds and components
- Frames
- Machine parts
- Furniture
- Agricultural equipment
- Safety and deck rails
- Appliances

MANAGEMENT PROFILE

	<p>Mr. Mahendra Kumar Jain</p> <p>Chairman and Executive Director</p> <p>Mr. Mahendra Kumar Jain has over three decades of experience in the steel sector and has been associated with our Company since August 8, 2017 and since December 19, 2023 in the capacity of Chairman.</p>
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	<p>Mr. Varghese Vazhappily Davis</p> <p>Managing Director</p> <p>Vazhappily Davis Varghese is one of the Promoters and has over nine years of experience in the steel industry. Presently, he is responsible for working capital management, procurement planning and sales & receivables management. He has been associated with our Company since incorporation in the capacity of Promoter and since March 31, 2022 in the capacity of Managing Director.</p>
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Mrs. Molly Varghese

Whole- time Director

Molly Varghese was associated with M/s. Demac Steel in the capacity of accounts manager in the past. She has experience of nine years in the area of finance. Presently, she is responsible for internal review & verification of accounts. She has been associated with our Company since November 14, 2018.



Mr. Vazhappilly Varghese Cyriac

Whole- time Director

Cyriac Varghese holds a bachelor's degree in mechanical engineering from Mahatma Gandhi University, Kerala. In the past, he was associated with M/s. Demac Steel in the capacity of manager- purchase and production. He has an experience of more than nine years in inventory management and production management. Presently, he heads procurement and production of our Company and has been associated with our Company since incorporation.



Mr. Divyakumar Jain

Executive Director

Divyakumar Jain holds a bachelor's degree in commerce from Mahatma Gandhi University, Kerala. He was associated with Jaihind Steel Private Limited in the capacity of finance head and has an experience of more than a decade in finance and accounts. Presently, he heads the finance and accounts division of our Company and has been associated with our Company since August 8, 2017 in the capacity of a Director.



Mrs. Suman Jain

Non- Executive Director

Suman Jain is associated with Vyttila Steel Private Limited, in the capacity of a director and with Jaihind Aluminum Traders, in the capacity of partner. She has more than two decades of experience in the steel sector and has been associated with our Company since November 1, 2018.



Mr. Jijo Maliyakkal

Independent Director

Jijo Maliyakkal holds a bachelor's degree in science from University of Calicut. He attended University of Calicut to pursue a master's degree in science. He has also received a provisional certificate from Annamalai University certifying that he has passed the postgraduate diploma in marketing management. Currently, he is associated with Aston Alvis Life Sciences, in the capacity of managing partner. He has an experience of more than a decade in marketing management and has been associated with our Company since December 27, 2023.



Mr. Veliyath Antony Davies

Independent Director

Veliyath Antony Davies holds a bachelor's degree in commerce from University of Calicut. He attended Christ College to pursue master's in commerce with financial management. Currently, he is associated with Jyothis Food Products, in the capacity of marketing manager. He has an experience of more than seven years in sales and marketing and has been associated with our Company since December 15, 2023.



Mr. Rahul Mamman Abraham

Independent Director

Rahul Mamman Abraham holds a bachelor's degree in commerce from Mahatma Gandhi University. He has also completed a postgraduate diploma in management from The Indian Institute of Management. He has an experience of more than a decade in the pharmaceutical industry and has been associated with our Company since December 15, 2023.



Mr. Rahul Jain

Chief Financial Officer

Rahul Jain holds a bachelor's degree in commerce from Pragjyotish College. He has been associated with our Company since April 1, 2018 in the capacity of accounts manager. He has been promoted to the position of Chief Financial Officer with effect from February 23, 2024.



Mr. Shravan Kannan Dev

Company Secretary and Compliance Officer
Shravan Kannan Dev holds a bachelor's degree in commerce from Indira Gandhi National Open University. He is an associate member of the Institute of Company Secretary of India. He has more than six years of experience in the secretarial and compliance industry.

CORPORATE INFORMATION

Company Name

Newmalayalam Steel Limited

(Formerly known as Newmalayalam Steel Private Limited)

CIN

L27209KL2017PLC048762

Website

<https://demacsteel.com/>

Board of Directors

Mr. Mahendra Kumar Jain

Chairman and Executive Director

Mr. Varghese Vazhappily Davis

Managing Director

Mrs. Molly Varghese

Whole-time director

Mr. Vazhappilly Varghese Cyriac

Whole-time director

Mr. Divyakumar Jain

Executive Director

Mrs. Suman Jain

Non-Executive Director

Mr. Jijo Maliyakkal

Independent Director

Mr. Veliyath Antony Davies

Independent Director

Mr. Rahul Mamman Abraham

Independent Director

Chief Financial Officer (CFO)

Mr. Rahul Jain

Company Secretary & Compliance Officer

Mr. Shravan Kannan Dev

Auditors

Statutory Auditors

M/s. Kumar & Biju Associates LLP

F-1, Chorus, Kochar Road,
Sasthamangalam P.O,
Thiruvananthapuram, Kerala-KL

Internal Auditors

Mr. Suresh Babu R

Vathakodath (H), Puthuppally PO,
Kottayam- 686011

Secretarial Auditor

M/s. Shanu Mata and Associates

232, Udyog Bhawan Sonawala Lane,
Goregaon East, Mumbai- 400063

Cost Auditor

M/s Rosh & Associates

Kulangara Kanady House,

Ollur, Thrissur, Kerala - 680306

Bankers

State Bank of India

HDFC Bank

Registered Office

Door No: 2/546/A &

2/546/B, Pallipuram P. O., Mala, Thrissur,
Kerala, 680732

Registrar & Share Transfer Agent

Kfin Technologies Limited

Selenium, Tower B, Plot No- 31 & 32,
Financial District, Nanakramguda,

Serilingampally, Telangana, India,
500032

Tel: +91 (0)40 67162222

email: compliance.corp@kfintech.com



NOTICE OF 08TH ANNUAL GENERAL MEETING

Dear Members/Directors/Auditors,

NOTICE is hereby given that the 08th Annual General Meeting of the members of Newmalayalam Steel Limited (*formerly known as Newmalayalam Steel Private Limited*) will be held on Friday, September 26, 2025, at 3.30 PM (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESSES:

1. To discuss and consider the audited Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on March 31, 2025 and the Balance Sheet as at March 31, 2025 together with schedules and notes annexed thereto and the report of the Auditors and Directors thereon and to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited Balance Sheet as at March 31, 2025, the audited Statement of Profit and Loss and Cash Flow Statement for the year ended on March 31, 2025 together with schedules and notes annexed thereto and the report of the Auditors and Directors thereon, as circulated to the members and also placed before the meeting, be and is hereby received, approved and adopted."

2. To consider appointment of director in place of Mr. Vazhappilly Varghese Cyriac, who retires by rotation and being eligible offers himself for re-appointment and to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and other applicable provisions, if any of the Companies Act, 2013, Mr. Vazhappilly Varghese Cyriac (DIN: 07763663) who is liable to retire by rotation and being eligible has offered himself for

appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation and he shall continue to be a Whole-time director of the company."

3. To consider re-appointment of M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm registration number: 006113S/S200094), as statutory auditors of the company from the conclusion of this annual general meeting until the conclusion of the sixth consecutive annual general meeting and to fix their remuneration and to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 & 142 and other applicable provisions, if any, of the Companies Act, 2013 read along with the Companies (Audit and Auditors) Rules, 2014, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time, and other applicable rules, if any, including any statutory modification(s) or re-enactment(s) thereof, and on the recommendations of the Audit Committee and the Board of Directors of the Company at their meeting held on 30th August 2025, approval of the members of the Company be and is hereby accorded for re-appointment of M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm registration number: 006113S/S200094) who have confirmed their eligibility to be appointed as Statutory Auditors of the Company in terms of Section 141 of the Act and applicable rules, be and is hereby re-appointed as the Statutory Auditors of the Company who shall hold office from the conclusion of this annual general meeting until the conclusion of the sixth consecutive Annual General Meeting of the Company to be held in the year 2030 at such remuneration and out of pocket expenses as may be fixed by the Board of Directors of the Company in consultation with them.

RESOLVED FURTHER THAT Mr. Varghese Vazhappily Davis (DIN: 07763636), Managing Director or Mr. Divyakumar Jain (DIN: 01689124), Director be and are hereby severally authorized to do all acts, deeds, matters and things as considered necessary and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolutions."

SPECIAL BUSINESSES:

4. To ratify the remuneration payable to the Cost Auditors of the company for the financial year 2024-25

To consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the members of the Company be and hereby ratify the payment of remuneration of Rs. 75,000/- per annum (Rupees Seventy-Five Thousand Only), plus applicable taxes and reimbursement of out-of-pocket expenses at actual to M/s Rosh & Associates, Cost Accountant, (Registration No. 004211) appointed by the Board on the recommendation of the Audit Committee, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To approve material related party transactions with Jaihind Tubes Private Limited

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, pursuant to section 188 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, other applicable laws/statutory

provisions, if any [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force], the Company's Policy on Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with Jaihind Tubes Private Limited, a related party pursuant to Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2025-26, for an aggregate value not exceeding Rs. 150 crores, on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the related party and the Company, provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out at arm's length basis."

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

6. To approve material related party transactions with Jaihind Steel Private Limited

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, pursuant to section 188 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force], the Company’s Policy on Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with Jaihind Steel Private Limited, a related party pursuant to Section 2(76) of the

Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2025-26, for an aggregate value not exceeding Rs. 300 crores, on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the related party and the Company, provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out at arm's length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

7. To approve material related party transactions with Demac Industries Limited

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, pursuant to section 188 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any [including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force], the Company’s Policy on Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with Demac Industries Limited, a related party pursuant to Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, during financial year 2025-26, for an aggregate value not exceeding Rs. 100 crores, on such material terms and conditions as detailed in the explanatory statement to this Resolution and as may be mutually agreed between the related party and the Company, provided that the said Transaction(s)/Contract(s)/Arrangement(s)/Agreement(s) shall be carried out at arm’s length basis.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as ‘Board’ which term shall be deemed to include the Audit

Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

By the order of the Board

For Newmalayalam Steel Limited

SD/-

Varghese Vazhappily Davis

Managing Director

DIN: 07763636

Date: 30.08.2025

Place: Thrissur

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020, Circular No. 02/2021 dated 13th January 2021, Circular No. 19/2021 dated 08th December 2021, Circular No. 21/2021 dated 14th December 2021 and Circular No. 2/2022 dated 5th May 2022 and General Circular No. 10/2022 and 11/2022 dated 28th December 2022 and Circular No. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated 19th September, 2024 (collectively referred to as "MCA Circulars") and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and earlier circulars issued in this regards (collectively referred to as "SEBI Circulars") have permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the 08th Annual General Meeting of the Members of the Company will be held through VC/ OAVM, without the physical presence of the Members at a common venue.
2. The registered office of the Company at Door No: 2/546/A & 2/546/B Mala, Pallipuram P O, Mala, Thrissur, Thrissur, Kerala, India, 680732 shall be deemed to be the venue for the AGM. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or

more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.demacsteel.com/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
10. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the NSDL. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialised mode is provided in the instructions for e-voting section which forms part of this Notice.
11. The Board has appointed Mr. Sumit Agarwal, Practicing Company Secretary (M. No. 31515 and COP No. 21313), as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
12. The remote e-voting period commences on **Tuesday, September 23, 2025 at 09:00 A.M. (IST) and ends on Thursday, September 25, 2025 at 05:00 P.M. (IST)**. During this period, members holding shares in dematerialised form, as on **cut-off date, i.e. as on Friday, September 19, 2025** may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolutions on which vote has already been cast. Members who are present at the AGM and have not cast their votes through remote e-voting shall be provided an opportunity to vote electronically during the meeting. Additionally, a time window of 15 minutes shall be available post conclusion of the meeting for such Members to cast their votes.
13. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

14. The Scrutinizer will submit their report to the Chairman of the Company ('the Chairman') or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and will also be displayed on the Company's website, www.demacsteel.com.
15. Institutional/ Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to acsagarwal@gmail.com with a copy marked to e-voting@nsdl.com.
16. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the RTA of the Company
17. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (exception case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly.
18. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, September 23, 2025 at 09:00 A.M. (IST) and ends on Thursday, September 25, 2025 at 05:00 P.M. (IST). 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 record date (cut-off date) i.e. 19th September 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 19th September, 2025.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
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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 the NSDL Depository site wherein you can see the e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to the 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** users 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 the e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to the 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, the 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 a 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 the NSDL Depository site wherein you can see the e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to the 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 the NSDL Mobile App **“NSDL Speede”** facility by scanning the QR code mentioned below for seamless voting experience.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none">1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then 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 evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see the 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 are 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, the 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 pages by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page.
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	<p>The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, users will be able to see the e-Voting option where the evoting is in progress and also be able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>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 the 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 the e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

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

4. Your User ID details are given below:

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

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 the 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 the “Login” button.
9. After you click on the “Login” button, the home page of e-Voting will open.

Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join the 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 the company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining a virtual meeting, you need to click on the “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 acsagarwal@gmail.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 the "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 Mr. Amit Vishal, Deputy Vice President at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@demacsteel.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 info@demacsteel.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/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is the 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 ARE AS UNDER:

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 a link of "VC/OAVM" placed under the **"Join meeting"** menu against the company name. You are requested to click on the VC/OAVM link placed under the Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of the 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 the 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 info@demacsteel.com. The same will be replied by the company suitably.
6. The shareholders who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request mentioning their name, demat account number/ folio number, email id and mobile number, at info@demacsteel.com. The speaker registration will be

open during **Monday, September 22, 2025, at 09:00 A.M. (IST) and ends on Tuesday, September 23, 2025, at 05:00 P.M. (IST)**. Only those shareholders who are registered as speakers will be allowed to express their views or ask questions.

By the order of the Board

For Newmalayalam Steel Limited

SD/-

Varghese Vazhappily Davis

Managing Director

DIN: 07763636

Date: 30.08.2025

Place: Thrissur

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND/OR THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015****Item No. 2: To consider appointment of director in place of Mr. Vazhappilly Varghese Cyriac, who retires by rotation and being eligible offers himself for re-appointment:**

Mr. Vazhappilly Varghese Cyriac (DIN: 07763663) was appointed as Director of the company with effect from 31/03/2017 and as Whole-time Director of the Company with effect from 27/12/2023. Mr. Vazhappilly Varghese Cyriac is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Accordingly, it is proposed to re-appoint him as Whole-time Director of the Company whose period of office shall be liable to retire by rotation. The details as required under SS-2 and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequent amendments thereof:

Name of the Director	Vazhappilly Varghese Cyriac
Director Identification Number (DIN)	07763663
Current Designation/ category of the Director	Whole-time Director
Age	33 years
Date of Birth	25/03/1992
Date of the first appointment	31/03/2017
Qualifications	Bachelor's degree in Mechanical Engineering

Profile, Experience and Expertise in specific functional areas/Brief Resume.	Mr. Vazhappilly Varghese Cyriac (DIN: 07763663) is one of the Promoters and Whole-time Directors of our Company. In the past, he was associated with M/s. Demac Steel in the capacity of manager - purchase and production. He has an experience of more than nine years in inventory management and production management. Presently, he heads procurement and production of our Company and has been associated with our Company since incorporation.
Directorships held in other companies including equity listed companies and excluding foreign companies as on the date of this Notice	1. Demac Industries Limited – Director
Memberships/Chairmanships of committees of other companies (excluding foreign companies) as on date of this Notice	Member of Audit Committee of Demac Industries Limited
Name of Listed Entities from which the person has resigned in the past three years	NA
Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company	Father: Mr. Varghese Vazhappilly Davis (DIN: 07763636), Mother: Mrs. Molly Varghese (DIN: 08279078)
Shareholding in the Company including shareholding as a beneficial owner	10,000 Equity Shares, 0.06% of Rs 10/- each.
No. of Board Meetings attended during the year	19 meetings held during the Financial year 2024-25. He was present in all the Meetings.
Details of Remuneration sought to be paid	Rs. 12 lakhs p.a.
Remuneration last drawn (FY 2024-25)	Rs. 13.00 lakhs (12.00 Lakhs Salary plus 1.00 Lakh Bonus)

Terms and Conditions of appointment/ reappointment	Whole-time Director since 27 th December, 2023 liable to retire by Rotation,
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Except Mr. Vazhappilly Varghese Cyriac being an appointee and Mr. Varghese Vazhappily Davis (DIN: 07763636), and Mrs. Molly Varghese (DIN: 08279078) none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.

2.The Board of Directors recommends the Ordinary Resolution set out at item No. 2 of the Notice for approval by Members.

Item No. 3: To consider re-appointment of M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm registration number: 006113S/S200094), as statutory auditors of the company from the conclusion of this annual general meeting until the conclusion of the sixth consecutive annual general meeting and to fix their remuneration:

The Members of the Company at its 06th Annual General Meeting held on September 30th, 2023 had appointed M/s Kutty & Associates, Chartered Accountants (FRN:001640S) as the Statutory Auditors of the Company to hold office for a period of Five (5) consecutive financial years from 2022-23 to 2027-28. However, M/s. Kutty & Associates, Chartered Accountants (FRN:001640S) vide their letter dated 20th February, 2025 have resigned from the position of Statutory Auditor of the Company, resulting in a casual vacancy in the office of Statutory Auditor of the Company.

Board of Directors at their meeting held on 19th March, 2025, on the recommendation of the Audit Committee appointed M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm Registration Number: 006113S/S200094) as a Statutory Auditor to fill the casual vacancy and to hold office as the Statutory Auditor of the Company till the ensuing Annual General Meeting of the Company.

The Members at their Extra Ordinary meeting held on 18th June 2025 approved the appointment of M/s. Kumar & Biju Associates LLP, Chartered Accountants.

The Board is proposing to re-appoint M/s. Kumar & Biju Associates LLP, Chartered Accountants as statutory auditors of the company from the conclusion of this Annual General Meeting to hold office till the sixth consecutive Annual General Meeting.

Proposed fees payable to the statutory auditor	Rs. 5,00,000/- (Rupees Five Lakhs Only)
Terms of appointment	The appointment is proposed for 5 financial years from 2025-26 to 2029-30
Any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	There is no change
Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor	M/s. Kumar & Biju Associates LLP founded in 1993, is a professional firm of Chartered Accountants with Branches in Thiruvananthapuram, Varkala, Cochin, Thrissur and Calicut. The firm was founded by M.B. Sanil Kumar FCA along with M. Narayanakumar FCA, Late J. Sreekumar FCA and T.B. Biju FCA. The firm has eight partners and comprises a team of 115 dedicated staff across various branches including Chartered Accountants and other professionals.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

Item No. 4: To ratify the remuneration payable to the Cost Auditors of the company for the financial year 2024-25:

Members are hereby informed that upon the recommendation of the Audit Committee, Board of Directors of your Company have appointed M/s Rosh & Associates, Cost Accountant, (Registration No. 004211) as Cost Auditors of the Company for the year 2024-25 on the remuneration of Rs. 75,000/- per annum (Rupees Seventy-Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses at actual.

As per section 148(3) read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders in the ensuing 08th AGM.

None of the Directors, Key Managerial Personal or their relatives are concerned or interested financially or otherwise in the aforesaid resolution.

The Board of directors recommend passing necessary resolution as set out in Item No.4 of the Notice by way of an Ordinary Resolution.

Item No. 5 to 7: To approve material related party transactions with Jaihind Tubes Private Limited, Jaihind Steel Private Limited and Demac Industries Limited

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the threshold limit for determination of material related party transactions of SME listed entity is the lower of Rs. 50 crore (Rupees Fifty crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an Ordinary Resolution.

The Audit Committee and the Board of directors at their meeting held on 29th May 2025 have approved the related party transactions proposed to be entered into by the company for the financial year 2025-26.

The company being part of a group of companies involved in various steel and metal related business, often involved in transactions with these related entities.

The details of related party transactions are as follows:

I		
1.	Name of related party and relation	<p>Jaihind Tubes Private Limited ("JTPL").</p> <p>It is a company owned and controlled by Mr. Mahendra Kumar Jain and Mr. Divyakumar Jain. Mrs. Suman Jain is part of the promoter group of JTPL.</p>
2	Type and particulars of the proposed transaction	<ol style="list-style-type: none">1. Advancing of loan2. Purchase of raw material3. Sale of finished products
3	Material Terms	<p>The purchase and sale transactions are in the ordinary course of business of the company.</p> <p>The company lends short term loans to JTPL from the surplus funds available for meeting their working</p>

		capital requirements. The company charges interest on the loan and the tenure of loan is till the end of the relevant financial year.
4	Tenure of the proposed transaction	Throughout the financial year
5	Value of the proposed transaction	Not exceeding Rs. 150 crores at any time during the year.
6	Justification for why the proposed transaction is in the interest of the listed entity;	<p>JTPL is into the business of manufacturing and trading in steel tubes and pipes. The Company is situated in Udupi, Karnataka. JTPL being in the same industry and in similar business helps the company to procure raw materials and sell its products at competitive rates.</p> <p>Being a related entity, advancing loan to JTPL is better usage of surplus funds of the company which would otherwise be laying idle. Even though companies could invest the funds in other avenues, it will affect the liquidity of funds and the cost of retrieving would be more compared to loan to related entities.</p>

7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	49.31%
8	A copy of the valuation or other external party report, if any such report has been relied upon	NA
9	Details of the source of funds in connection with the proposed transaction	Surplus funds available with company
1	Nature, cost and tenure of financial indebtedness incurred to make or give loans, interoperate deposits, advances or investments	NA
1	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>Covenants – The company has entered into an inter corporate loan agreement with JTPL.</p> <p>Tenure – 1 year</p> <p>Interest Rate – 9%</p> <p>Repayment – within 1 year of lending</p> <p>Nature of Security – Unsecured</p>

1	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	For principal business activities - operational and working capital requirements
II		
1.	Name of related party and relation	<p>Jaihind Steel Private Limited ("JSPL")</p> <p>It is a company owned and controlled by Mr. Mahendra Kumar Jain and Mr. Divyakumar Jain. Mrs. Suman Jain is part of the promoter group of JSPL.</p>
2	Type and particulars of the proposed transaction	<ol style="list-style-type: none"> 1. Advancing of loan 2. Purchase of raw material 3. Sale of finished products

3	Material Terms	<p>The purchase and sale transactions are in the ordinary course of business of the company.</p> <p>The company lends short term loans to JSPL from the surplus funds available for meeting their working capital requirements. The company charges interest on the loan and the tenure of loan is till the end of the relevant financial year.</p>
4	Tenure of the proposed transaction	Throughout the financial year
5	Value of the proposed transaction	Not exceeding Rs. 300 crores.

6	Justification for why the proposed transaction is in the interest of the listed entity;	<p>JSPL is the flagship company promoted and controlled by Mr. Mahendra Kumar Jain and Mr. Divyakumar Jain. The company had a standalone turnover of Rs. 868 crores in the financial year 2024-25. The company is into the business of trading in iron and steel. The company has 2 subsidiaries including one in Singapore.</p> <p>The wide presence and years of experience in the industry helps the company to procure raw materials and sell its products at competitive rates to various clients.</p> <p>Being a related entity, advancing loan to JSPL is better usage of surplus funds of the company which would otherwise be laying idle. It is not a usual transaction between the companies to advance loans given the size of the company. However, for urgent requirements the company is proposing to advance funds given the availability of funds with the company.</p>
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is	98.63%

	represented by the value of the proposed transaction	
8	A copy of the valuation or other external party report, if any such report has been relied upon	NA
9	Details of the source of funds in connection with the proposed transaction	Surplus funds available with company
1	Nature, cost and tenure of financial indebtedness incurred to make or give loans, interoperate deposits, advances or investments	NA
1	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Covenants – None Tenure – 1 year Interest Rate – 9% Repayment – within 1 year of lending Nature of Security – Unsecured
1	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	For principal business activities – operational and working capital requirements
III		

1.	Name of related party and relation	Demac Industries Limited ("DIL") It is a company owned and controlled by Promoters of the company.
2	Type and particulars of the proposed transaction	<ol style="list-style-type: none">1. Advancing of loan2. Purchase of raw material3. Sale of finished products
3	Material Terms	<p>The purchase and sale transactions are in the ordinary course of business of the company.</p> <p>The company lends short term loans to DIL from the surplus funds available for meeting their working capital requirements. The company charges interest on the loan and the tenure of loan is till the end of the relevant financial year.</p>
4	Tenure of the proposed transaction	Throughout the financial year
5	Value of the proposed transaction	Not exceeding Rs. 100 crores at any time during the year.

6	Justification for why the proposed transaction is in the interest of the listed entity;	<p>Being a sister concern, the company and DIL help each other to maintain the liquidity position and in urgent fund requirements. Advancing loan to DIL is better usage of surplus funds of the company which would otherwise be laying idle. The company has taken loans from DIL in the past when there was a fund requirement.</p> <p>DIL is into the business of manufacturing and trading in all types of PVC Form Boards, PVC Roofing and allied PVC products and other interior decoration products. The sale and purchase transactions are for the internal requirements of both companies.</p>
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	32.87%
8	A copy of the valuation or other external party report, if any such report has been relied upon	NA

9	Details of the source of funds in connection with the proposed transaction	Surplus funds available with company
1	Nature, cost and tenure of financial indebtedness incurred to make or give loans, interoperate deposits, advances or investments	NA
1	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>Covenants – The company has entered into an inter corporate loan agreement with DIL.</p> <p>Tenure – 1 year</p> <p>Interest Rate – 9%</p> <p>Repayment – within 1 year of lending</p> <p>Nature of Security – Unsecured</p>
1	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	For principal business activities – operational and working capital requirements

Mr. Mahendra Kumar Jain, Mr. Divyakumar Jain and Mrs. Suman Jain are interested in items 5 and 6.

Mr. Mahendra Kumar Jain, Mr. Divyakumar Jain, Mrs. Suman Jain, Mr. Varghese Vazhappily Davis, Mrs. Molly Varghese and Mr. Vazhappilly Varghese Cyriac are interested in item 7.

None of the other Directors, Key Managerial Personal or their relatives are concerned or interested financially or otherwise in the resolution set out at item 5, 6 and 7 of the AGM notice.

Pursuant to Regulation 23 of the Listing Regulations, members may also note that no related party of the Company shall vote to approve the Ordinary Resolutions set out at Item Nos. 5, 6 and 7 whether the entity is a related party to the particular transaction or not.

The Board of directors recommend passing necessary resolutions as set out in Items No.5, 6 and 7 of the Notice by way of an Ordinary Resolution.

By the order of the Board

For Newmalayalam Steel Limited

SD/-

Varghese Vazhappily Davis

Managing Director

DIN: 07763636

Date: 30.08.2025

Place: Thrissur

BOARDS' REPORT

Dear Members of Newmalayalam Steel Limited

(Formerly known as Newmalayalam Steel Private Limited),

Your Directors have pleasure in presenting the 08th Annual Report and Audited Financial Statements of the Company for the financial period ended 31st March, 2025.

1. FINANCIAL PERFORMANCE

The Company's financial performance for the period ended March 31, 2025 is summarized below:

(in Lakhs)

Particulars	Period ended 31.03.2025 <i>Amount in Rupees</i>	Period ended 31.03.2024 <i>Amount in Rupees</i>
Revenue from Operations	30,416.43	30,016.06
Other Income	420.12	298.74
Total Income	30,836.55	30,314.80
Total Expenses	30,234.91	29,747.79

Profit/(Loss) before Tax	601.64	567.02
Tax Expenses – Deferred Tax	160.66	140.16
Profit/(Loss) after Tax	440.98	426.86

2. STATE OF COMPANY'S AFFAIRS

Your Company is engaged in the business of manufacture and sale of Galvanized Steel Pipes and Sheets.

The Company during the period has earned a net profit of Rs. 440.98 Lakhs.

Though the company earnings have improved immensely from last year, the expenses have also increased considerably.

Your Directors are hoping to improve the Company Net Earnings in the upcoming future years.

3. INITIAL PUBLIC OFFER AND LISTING OF EQUITY SHARES:

The Company was originally incorporated as Private Company and the Company was converted into a Public Limited Company vide special resolution passed in the Members meeting held on 19th December, 2023 and the name of the Company changed from Newmalayalam Steel Private Limited to Newmalayalam Steel Limited with effect from 01st February, 2024.

The Board of Directors had, in its meeting held on 14th February, 2024, proposed the Initial Public Offer of up to 46,40,000 equity shares. The Members

of the Company had also approved the proposal of the Board of Directors in their Extra-ordinary General Meeting held on 15th February, 2024.

The Board of Directors appointed Khandwala Securities Limited as Lead Manager and KFin Technologies Limited as Registrar to the Issue and Share Transfer Agent for the proposed Public Issue. The Company applied to National Stock Exchange of India Limited ("NSE") for in-principle approval for listing its equity shares on the Emerge Platform of the NSE. National Stock Exchange of India Limited has, vide its letter dated, 08th August, 2024, granted its In- Principle Approval to the Company.

The Company had filed a Prospectus to the Registrar of the Company, Kochi on 24th December, 2024. The Public Issue was opened on Thursday, 19th December, 2024 and closed on Monday, 23rd December, 2024. The Basis of Allotment was finalized by Company, Registrar to the issue and merchant banker in consultation with the NSE on 24th December, 2024. The Company has applied for listing of its total equity shares to NSE and it has granted its approval via its trading approval letter dated 26th December, 2024. The trading of equity shares of the Company commenced on 27th December, 2024 at NSE Emerge Platform.

The Equity Shares of the Company are listed on the NSE Emerge Platform. The Company confirms that the annual listing fees to the stock exchange for FY 2024-25 have been paid.

This listing provides an opportunity for increased visibility and liquidity for the Company's shares.

4. SUBSIDIARY/ JV/ ASSOCIATE COMPANIES

The company has no subsidiary, associates or joint venture.

During the period under review, no company has become or ceased to be Company's subsidiary, joint venture or associate company.

5. HOLDING COMPANY

The Company is not a subsidiary, associates or Joint Venture Company.

6. CHANGES IN SHARE CAPITAL

AUTHORISED SHARE CAPITAL

The Authorised Capital of the Company as on 31st March, 2025 is Rs. 20,00,00,000/- divided into 2,00,00,000 Equity Shares of Rs. 10/- each.

ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL

The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on 31st March, 2025 stood at Rs. 17,28,76,000/- (Rupees Seventeen Crores Twenty-Eight Lakhs Seventy-Six Thousand Only) consisting of 1,72,87,600 (One Crore Seventy-Two Lakhs Eighty-Seven Thousand and Six Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

Pursuant to the Initial Public Offer of Equity Shares by the Company, the Board of Directors, in their meeting held on 24th December, 2024, has allotted total 46,40,000 Equity Shares Rs. 10/- each at price of Rs. 90/- per Equity Share (Including a share premium of ₹80/- Per Equity Share) to the successful allottees, whose list have been finalized by the Company, the Registrar to the issue and merchant banker in consultation with National Stock Exchange of India Limited.

7. UTILIZATION OF IPO PROCEEDS

The gross proceeds from the IPO amounted to Rs. 4,176/- Lakhs. The utilisation of these proceeds, as at 31st March 2025. is as follows:

Nature of Allocation	Allocation as per RHP for FY 2024-25 (in Lakhs)	Actual Allocation (in Lakhs)
Advertising, Marketing & Brand Building	350.00	349.08
Civil Construction	255.95	197.05
IPO Expenses	437.05	428.30
IT/Technological Upgradation of Manufacturing	287.62	287.62
Solar Plant	159.33	159.33
Working Capital	1,000.00	1,400.00
General Corporate Purposes	900.00	900.00
Total	3,389.95	3,721.38

An additional amount of Rs. 400 Lakhs has been utilized towards Working Capital over and above the originally allocated amount which was approved by the Board through resolution passed on 25th January, 2025.

8. RESERVES

As per financials, the reserves & surplus of the Company as on 31st March, 2025 are as follows:

(Amount in Lakhs)

Sr. No.	Particulars	31.03.2025
1.	Balance at the beginning of the year	2,782.38
2.	Current Year's Profit / Loss	440.98
3.	Amount of Securities Premium added during the year	3,712.00
4.	Less IPO Expenses Amortization	(829.83)
Total		6,105.53

9. DEPOSITS

The Company has neither accepted nor renewed any deposits during the period under review.

10. DIVIDEND

No dividend was proposed by the Board of Directors for the period as the Company is looking forward to retaining the amounts for future growth of the Company.

11. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There was no unclaimed dividend which was required to be transferred to the Investor Education and Protection Fund.

12. MATERIAL CHANGES AND COMMITMENT

During the year, there have been significant material changes and commitments that have had an impact on the financial position of the Company. The following changes and commitments are worth noting:

1. **FILING OF DRAFT RED HERRING PROSPECTUS:** The Company has filed Draft Red Herring Prospectus on 23rd April, 2024 with Emerge Platform of National Stock Exchange Limited.
2. **FILING OF PROSPECTUS:** The Company has filed a Prospectus on 24th December, 2024 with Emerge Platform of National Stock Exchange Limited.
3. **LISTING ON EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE (NSE):** The Company's securities have been listed on the EMERGE Platform of National Stock Exchange (NSE), effective from 27th December, 2024. This listing provides an opportunity for increased visibility and liquidity for the Company's shares.

These material changes and commitments have had a significant impact on the financial position of the Company, enhancing its capital structure and providing opportunities for growth and development. The Directors are confident that these actions will contribute to the long-term success and prosperity of the Company.

13. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business of the company.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

The company has received a demand order from the Income Tax department against which the company has filed an appeal. The details are provided in note number 27 of the financial statement.

During the period under review, there were no other significant and material orders passed by regulators or courts or tribunals impacting the going concern status and company's operations in future.

15. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your Company has identified internal financial controls which impacts the financial statements and adopted the procedures for ensuring adherence to applicable laws, 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 disclosures.

The policies and procedures adopted by the company to ensure the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information.

The Internal Auditor and the Management continuously monitors the efficacy of the Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an effectiveness of the organization's risk management with regard to the Internal Financial Control system.

The Audit Committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statement, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

16. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

With reference to Section 134(3)(h) of the Companies Act, 2013, all transactions entered by the Company during FY 2024-2025 with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company has not entered into any contract or arrangement or transaction with related parties as per section 188(1) of the Act, which could be considered a material transaction and all the related party transactions entered by the company during the financial year were at arm's length basis and in the ordinary course of business. The details of the related party transactions entered during the year are provided in the accompanying financial statements.

The details of such transactions are given in form AOC-2 attached with this report as **Annexure A**, which forms part of this Integrated Annual Report.

The Company has adopted a policy on materiality of related party transactions and on dealing with Related Party Transactions and the same is disclosed on the website of the Company and can be accessed at www.demacsteel.com.

17. LOANS, GUARANTEES OR INVESTMENTS

The Company has provided loans to related group companies in pursuance to Section 186 of the Companies Act, 2013. The loans were utilized by the group companies for principal business activities. The details of the loans are provided at Note number 42 of the financial statements.

The company has taken necessary approvals at the Board Meeting and General Meeting for the loans given.

Other than the above there were no other loans, guarantees or investments made under section 186.

18. DIRECTORS, CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board comprises the following Directors and Key Managerial Personnel as on the date of this Report:

Sl. No.	Name	Designation
1.	Mr. Mahendra Kumar Jain	Chairman and Executive Director
2.	Mr. Varghese Vazhappily Davis	Managing Director
3.	Mrs. Molly Varghese	Whole-time director
4.	Mr. Vazhappilly Varghese Cyriac	Whole-time director
5.	Mr. Divyakumar Jain	Executive Director

6.	Mrs. Suman Jain	Non-Executive Director
7.	Mr. Jijo Maliyakkal	Independent Director
8.	Mr. Veliyath Antony Davies	Independent Director
9.	Mr.Rahul Mamman Abraham	Independent Director
10.	Mr. Shravan Kannan Dev	Company Secretary
11.	Mr. Rahul Jain	Chief Financial Officer

There were no changes in the directors and key managerial personnel during the period under review.

The company has not appointed any Independent Directors during the period under review. Thus, the statement regarding the opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year is not applicable.

Mr. Vazhappilly Varghese Cyriac (DIN: 07763663), director retires by rotation and being eligible offers himself for re-appointment at the 08th Annual General Meeting of the Company scheduled to be held on 26th September, 2025.

19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

During the period under review, the Board had met 19 times on the following dates:

Sl. No.	Date	Number of Directors present	Sl. No.	Date	Number of Directors present
1.	05 th April 2024	7	11.	08 th October 2024	7
2.	23 rd April 2024	7	12.	08 th November 2024	8
3.	22 nd May 2024	7	13.	16 th November 2024	8
4.	28 th May 2024	8	14.	12 th December 2024	9
5.	19 th June 2024	8	15.	24 th December	8

				2024 (11.30 a.m.)	
6.	27 th June 2024	7	16.	24 th Dece mber 2024 (6.00 p.m.)	8
7.	17 th July 2024	8	17.	26 th Dece mber 2024	9
8.	01 st August 2024	8	18.	25 th Janu ary 2025	8
9.	30 th August 2024	8	19.	19 th Marc h 2025	9
10.	11 th Septe mber 2024	8			

The Independent Directors held their meeting on 30th August 2024.

The number of Board Meetings attended by each director during the financial period ended 31st March, 2025 is given below:

Name of Director	Number of meetings	
	Held during the tenure	Attended during the tenure
Mr. Mahendra Kumar Jain	19	19
Mr. Varghese Vazhappily Davis	19	19
Mrs. Molly Varghese	19	19
Mr. Vazhappilly Varghese Cyriac	19	19
Mr. Divyakumar Jain	19	10
Mrs. Suman Jain	19	19
Mr. Jijo Maliyakkal	19	19
Mr. Veliyath Antony Davies	19	19
Mr. Rahul Mamman Abraham	19	7

20. INDEPENDENT DIRECTOR'S DECLARATION

The Company has received necessary declaration from Mr. Jijo Maliyakkal (DIN: 10434545), Mr. Veliyath Antony Davies (DIN: 08329772) and Mr. Rahul Mamman Abraham (DIN: 03284826) being Independent Directors of the Company under Section 149(7) of the Companies Act, 2013, and they meet the criteria of independence laid down in Section 149(6), Code for independent directors of the Companies Act, 2013.

21. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the Provisions of section 178 of the Companies Act 2013 the Company has duly constituted Nomination and Remuneration Committee (NRC) with composition of Independent Directors and Non- Executive Director. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at www.demacsteel.com.

The management of the Company is immensely benefitted from the guidance, support and mature advice from the members of the Board of Directors who are also members of the various Committees. The Board consists of the director possessing diverse skills, rich experience to enhance the quality performance of its Directors.

For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfils such criteria with regard to qualifications, positive attributes, independence, age and other criteria as laid down under the Act, Listing Regulations or other applicable laws.

22. VIGIL MECHANISM

Your Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in Compliance with the provisions of Section 177 (10) of the Companies Act, 2013. The Policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

The policy is available on the website of the Company and can be accessed through the Web Link:

<https://demacsteel.com/wp-content/uploads/2024/03/Whistle-Blower-Policy.pdf>

23. AUDITORS

STATUTORY AUDITOR

M/s Kutty & Associates, Chartered Accountants (FRN:001640S), were appointed as the Statutory Auditors of the Company at the 6th Annual General Meeting to hold office for a period of Five (5) consecutive financial years from 2022-23 to 2027-28. They tendered their resignation as Statutory Auditors of the Company on 20th February, 2025.

In this regard, after obtaining their consent and eligibility certificate under Section 139(1) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 19th March, 2025, on the recommendation of the Audit Committee appointed M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm Registration Number: 006113S/S200094) as the Statutory Auditors of the Company under Section 139(8) of the Companies Act, 2013, to

fill the casual vacancy consequent to the resignation of M/s Kutty & Associates, Chartered Accountants.

The auditors may be appointed for the financial years from 2025-26 to 2029-30 until their term of office. Therefore, in the upcoming Annual general Meeting of the Company, the Board proposes M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm Registration Number: 006113S/S200094), to be appointed as the Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the consecutive Sixth Annual General Meeting of the Company.

The auditors have confirmed that they are eligible under section 139 and Section 141 of the Companies Act, 2013 for appointment for FY 2025-26. Accordingly, the appointment of M/s. Kumar & Biju Associates LLP, Chartered Accountants (Firm Registration Number: 006113S/S200094), as statutory auditors of the Company, is placed for consideration by the members at the forthcoming Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Shanu Mata and Associates, Practicing Company Secretaries (FCS: 12161, CP: 17999), were appointed as secretarial auditor of the Company for the Financial Year 2024-25.

The Secretarial Audit Report in Form MR-3 is attached to this Boards' Report as **Annexure B**

INTERNAL AUDITOR

Pursuant to the provision of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, Mr. Suresh Babu is appointed as an Internal Auditor of the Company, for the Financial Year 2024-25. He submitted his report to the Board.

COST AUDITOR

Pursuant to the provision of Section 148 of the Companies Act, 2013, M/S Rosh & Associates, Cost Accountants (Firm Registration Number: 004211) is appointed as Cost Auditor of the Company, for the Financial Year 2024-25. He submitted his report to the Board.

24. AUDITOR'S REPORT / SECRETARIAL AUDIT REPORT

The report of the Statutory Auditor and Secretarial Auditor does not contain any qualification, reservation or adverse remarks which require explanation in the Board's Report.

25. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government

26. CORPORATE GOVERNANCE

Your Company practices a culture that is built on core values and ethical governance practices. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance practices.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 exempts companies which have listed their specified securities on SME Exchange from compliance with corporate governance provisions.

During the Financial Year 2024-2025, the Company got listed its specified securities on the EMERGE Platform of NSE therefore by virtue of Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46

and para C, D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Annual Report.

27. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prevention of Insider Trading) Regulations, 2015, as amended from time to time, with a view to regulate the trading in securities by the Directors and Designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of shares of the Company by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the code. All Directors and the designated employees have confirmed compliance with the code.

The code is available on the website of the Company and can be accessed through the Web Link:

<https://demacsteel.com/wp-content/uploads/2024/03/Prohibition-of-Insider-Trading-Policy.pdf>

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report in pursuance of requirement of Para B of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure – C** and forms the part of this Annual Report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is as follows;

Conservation Of Energy:

Every effort has been taken to utilize the energy most efficiently. The company is using solar energy for its operations to reduce usage of other sources which may cause adverse impact to the environment. The company focuses on responsible sourcing, energy efficiency, and waste reduction to minimize its environmental impact.

Technology Absorption:

During the period under review there was no major technology absorption undertaken by the company.

During the year foreign exchange earnings and outflow is as follows:

(in Rs. Lakhs)

Foreign exchange earned in terms of actual inflows	NIL
Foreign exchange outgo in terms of actual outflows	11,965.42

30. REMUNERATION RATIO AND OTHER DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) /EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure – D** and forms the part of this Annual Report.

31. DISCLOSURES OF COMMITTEES OF THE BOARD

The Company has constituted several committees with effect from 14th February, 2024, which have been established as part of best corporate

governance practices and comply with the requirements of the relevant provisions of applicable laws and statutes.

Pursuant to the provision of Companies act, 2013 composition of different Committees are as follows:

31.1. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 ("the Act"). The Composition of the Audit Committee is in conformity with the provisions of the said section.

Name of the Director	Status in Committee	Nature of Directorship
Veliyath Antony Davies	Chairman	Independent Director
Jijo Maliyakkal	Member	Independent Director
Divyakumar Jain	Member	Executive Director

During the Financial Year 8 (Eight) Meetings of the Audit Committee were held on 05th April 2024, 01st August 2024, 30th August 2024, 11th September 2024, 08th October 2024, 12th October 2024, 24th December 2024 and 04th March 2025.

31.2. STAKEHOLDER RELATIONSHIP COMMITTEE:

A Stakeholders Relationship Committee was constituted in terms of Section 178 of the Companies Act, 2013.

Name of the Director	Status in Committee	Nature of Directorship
Rahul Mamman Abraham	Chairman	Independent Director
Varghese Vazhappily Davis	Member	Managing Director
Vazhappilly Varghese Cyriac	Member	Whole Time Director

During the Financial Year 1 (One) Meeting of the Stakeholders Relationship Committee was held on 19th March 2025.

Also, during the year, the Company had received two complaints from the Shareholders. Both the complaints were resolved. There was no complaint pending as on 31st March, 2025.

31.3. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors was constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

Name of the Director	Status in Committee	Nature of Directorship
-----------------------------	----------------------------	-------------------------------

Jijo Maliyakkal	Chairman	Independent Director
Veliyath Antony Davies	Member	Independent Director
Rahul Mamman Abraham	Member	Independent Director

During the Financial Year 2 (Two) Meetings of the Nomination and Remuneration Committee were held on 30th August 2024 and 16th November 2024.

31.4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee of Directors was constituted by the Board of Directors of the Company in accordance with the requirements of Section 135 of the Act.

Name of the Members	Status in Committee	Nature of Directorship
Varghese Vazhappily Davis	Chairman	Managing Director
Rahul Mamman Abraham	Member	Independent Director

Mahendra Kumar Jain	Member	Chairman & Executive Director
---------------------	--------	-------------------------------

During the Financial Year 3 (Three) Meetings of the Corporate Social Responsibility Committee were held on 05th April 2024, 30th August 2024 and 19th March 2025.

31.5. IPO COMMITTEE:

The IPO Committee has been constituted for the purpose of taking all necessary steps in relation to the Initial Public Offer of the Company.

Name of the Members	Status in Committee	Nature of Directorship
Varghese Vazhappily Davis	Chairman	Managing Director
Vazhappilly Varghese Cyriac	Member	Whole Time Director
Divyakumar Jain	Member	Executive Director

32. CORPORATE SOCIAL RESPONSIBILITY POLICY

The provisions of Section 135 of the Companies Act, 2013 relating to development and implementation of Corporate Social Responsibility Policy are applicable to the Company.

The details as per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 are attached as **Annexure E** to the Board's report.

33. MAINTENANCE OF COST RECORDS

The provisions of Section 148(1) of the Companies Act, 2013 relating to Cost Records of the Company are applicable to the Company and are maintained properly. The company has appointed a cost auditor for auditing the cost records as required under relevant provisions.

34. RISK MANAGEMENT POLICY

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Company follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Directors. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The Board of Directors has formulated a Risk Management Policy which is in Compliance with the provisions of Section 134 (3) of the Companies Act, 2013.

The policy is available on the website of the Company and can be accessed through the Web Link:

35. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Board of Directors has formulated a Policy on Prevention of Sexual Harassment.

The policy is available on the website of the Company and can be accessed through the Web Link:

<https://demacsteel.com/wp-content/uploads/2024/03/Prevention-of-Sexual-Harassment-Policy-done.pdf>

Details of complaints during the year is as follows:

Number of complaints of sexual harassment received in the year	0
Number of complaints disposed off during the year	0
Number of cases pending for more than ninety days	0

36. FINANCIAL STATEMENTS

The Financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

As per the provisions of Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, are exempted from the compulsory requirements of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is listed on NSE Emerge platform, it is covered under the exempted category and is not required to comply with IND-AS for preparation of Financial Statements.

37. COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

In compliance with the Listing Regulations and Companies Act, the Company has framed and adopted a code of conduct and ethics ("the code"). The code is applicable to the members of the Board, the executive officers and all the employees of the Company.

All the members of the Board and Senior Management Personnel have affirmed compliance to the code for the Financial Year ended on March 31, 2025 and a declaration to this effect signed by the Chairman and Managing Director forms part of this Report.

38. COMPLIANCE WITH MATERNITY BENEFITS ACT, 1961

The Company has complied with respect to compliance of Maternity Benefits Act, 1961 wherever applicable.

39. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor is any proceeding pending against the company as per the provisions of the Insolvency and Bankruptcy Code, 2016 during the period under review.

40. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS

None.

41. BOARD EVALUATION

The Nomination and Remuneration Committee of the Company has laid down the criteria for performance evaluation of the Board, its Committees and individual Directors including independent Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Pursuant to the provisions of the Companies Act, 2013 based on the predetermined templates designed as a tool to facilitate evaluation process, the Board has carried out the annual performance evaluation of its own performance, the Individual Directors including Independent Directors and its Committees on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

42. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2025, on its website at www.demacsteel.com.

43. POLICIES AND DISCLOSURE REQUIREMENTS

In terms of provisions of the Companies Act, 2013 the Company has adopted all the required policies which are applicable to the Company and are available on the Company's website www.demacsteel.com.

44. GENERAL

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Neither the Managing Director nor the Whole Time Directors of the Company receive any commission.
3. Voluntary revision as per Section 131 of the Companies Act, 2013.

45. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company confirms:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit of the company for that period;

- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

46. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with respect to compliance of the Secretarial Standard wherever applicable.

47. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the co-operation and assistance received from the Company's shareholders during the period under review.

Your Directors would also like to express their appreciation for the assistance and co-operation received from the Financial Institutions, the Bankers, Government Authorities, customers and vendors during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the employees, executives, officers and staff, which enables the Company to deliver a good performance.

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

Date: 30.08.2025

Place: Thrissur

SD/-

Mr. Varghese Vazhappily Davis

Managing Director

DIN: 07763636

SD/-

Mr. Mahendra Kumar Jain

Chairman and Director

DIN: 01689078

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board of Director of the Company has laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2025 as envisaged in the listing Agreement with Stock Exchange.

For and on behalf of the Board of Directors of

Newmalayalam Steel Limited

Date: 30.08.2025

Place: Thrissur

SD/-

Mr. Varghese
Vazhappily Davis

Managing Director

DIN: 07763636

SD/-

Mr. Mahendra
Kumar Jain

Chairman
and Director

DIN: 01689078

ANNEXURE A TO THE BOARD'S REPORT OF NEWMALAYALAM STEEL LIMITED**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There are no transactions entered by the Company that are not at Arm's length basis

2. Details of contracts or arrangements or transactions at Arm's length basis.

3.

Sl. No.	CIN or FCRN or LLPIN or FLLPIN or PAN/Passport for individuals or any other registration number	Name (s) of the related party & nature of relationship	Nature of Contract/arrangement/transaction	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1.	PAN: ABNPV6045J	Vazhappilly Davis Varghese Key Management Personnel	Salary Paid	5 years	Rs. 24,00,000/-	14.02.2024	-
			Interest on loan Paid	12 months	Rs. 97,000/-	05.04.2024	-
			Loan Received	12 months	Rs. 65,00,000/-	05.04.2024	-
			Loan Repaid	12 months	Rs. 65,00,000/-	05.04.2024	-
			Rent Paid	15 years	Rs. 60,000/-	10.04.2017	-
2.	PAN: ABWPJ9860A	Mahendra Kumar Jain	Salary Paid	5 years	Rs. 24,00,000/-	14.02.2024	-

		Key Personnel	Management						
3.	PAN: ADLPJ4150G	Divyakumar Jain Key Personnel	Management	Salary Paid	5 years	Rs. 24,00,000/-	14.02.2024	-	
4.	PAN: AUZPC2891A	Cyriac Varghese Key Personnel	Management	Salary and Bonus Paid	5 years	Rs. 13,00,000/-	27.12.2023	-	
				Interest on loan paid	12 months	Rs. 47,000/-	05.04.2024	-	
				Loan Received	12 months	Rs. 32,00,000/-	05.04.2024	-	
				Loan Repaid	12 months	Rs. 32,00,000/-	05.04.2024	-	
5.	PAN: ADRPM4306P	Molly Varghese Key Personnel	Management	Salary Paid	5 years	Rs. 24,00,000/-	27.12.2023	-	
				Loan received	12 months	Rs. 1,04,00,000/-	05.04.2024	-	
				Loan repaid	12 months	Rs. 1,04,00,000/-	05.04.2024	-	
				Loan repayment	10 years	Rs. 25,00,000/-	07.08.2017	-	
				Rent paid	15 years	Rs. 60,000/-	10.04.2017	-	
				Interest on loan paid	12 months	Rs. 25,41,000/-	05.04.2024	-	
6.	PAN: DYBPK3926H	Shravan Kannan Dev Key Personnel	Management	Salary Paid	-	Rs. 2,80,000/-	-	-	
7.	PAN: AQZPJ4516F	Rahul Jain Key Personnel	Management	Salary Paid	-	Rs. 2,93,000/-	-	-	
				Interest Received	12 months	Rs. 17,05,000/-	05.04.2024	-	
				Interest Paid	12 months	Rs. 1,62,000/-	05.04.2024	-	
				Loan given	12 months	Rs. 3,70,00,000/-	05.04.2024	-	
8.		Demac Industries Limited		Loan repayment received	12 months	Rs. 3,70,00,000/-	05.04.2024	-	

	CIN: U52609KL2018PLC052484	Entity under Management Relative influence	Key Personnel/ Key	Loan received	12 months	Rs. 2,20,00,000/-	05.04.2024	-
				Loan repayment	12 months	Rs. 2,20,00,000/-	05.04.2024	-
				Sales	12 months	Rs. 6,000/-	05.04.2024	-
9.	PAN: ABWPJ1493P	Suman Jain Relative of Key Management Personnel	Key	Loan Repayment	10 years	Rs. 1,00,00,000/-	01.11.2018	-
10.	CIN: U74900KL2020PTC062671	Jaihind Steel Private Limited Entity under Key Management Personnel/ Relative influence	Key	Purchase of raw material	12 months	Rs.81,33,74,000 /-	05.04.2024	-
				Sales	12 months	Rs. 87,12,40,000/-	05.04.2024	-
				Discount allowed	12 months	Rs. 9,54,000/-	05.04.2024	-
11.	CIN: U28999KA2020PTC141737	Jaihind Tubes Limited Entity under Key Management Personnel/ Relative influence	Private	Purchase of Raw material	12 months	Rs. 3,70,11,000/-	05.04.2024	-
			Key	Sales	12 months	Rs. 17,54,000/-	05.04.2024	-
12.	CIN: U51909KL2022PTC077218	Jaihind Metals Private Limited Entity under Key Management Personnel/ Relative influence	Key	Sales	12 months	Rs. 18,59,000/-	05.04.2024	-
13.	Trust Registration No: 128/2022 CSR Registration no.: CSR00025823	Jaihind Foundation Entity under Key Management Personnel/ Relative influence	Key	Contribution towards CSR	-	Rs. 14,00,000/-	19.03.2025	-

For and on behalf of the Board of Directors of

Newmalayalam Steel Limited

SD/-

Mahendra Kumar Jain
Chairman and Director
DIN: 01689078

Place: Thrissur
Date: 30.08.2025

SD/-

Varghese Vazhappily Davis
Managing Director
DIN:07763636

Place: Thrissur
Date: 30.08.2025

ANNEXURE B TO THE BOARD'S REPORT OF NEWMALAYALAM STEEL LIMITED

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31st, 2025

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

To,

The Members,

NEWMALAYALAM STEEL LIMITED

(Formerly known as Newmalayalam Steel Private Limited)

**Registered Office: Door No. 2/546/A & 2/546/B Mala,
Pallipuram P O, Mala, Thrissur, Kerala, India-680732**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Newmalayalam Steel Limited** *(Formerly known as Newmalayalam Steel Private Limited)* having **CIN: L27209KL2017PLC048762** Secretarial Audit was conducted in a manner that provided to me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **March 31st, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31st, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) (i) 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009);
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients.
 - e. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - f. 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);**
 - g. 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);**

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the audit period);**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable to the Company during the audit period);**
- j. The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015;

I have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/ groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by ICSI under the provisions of the Companies Act, 2013;
- (ii) The Listing Agreements entered into by the Company with NSE Limited.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. During the period under review, there was no change in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case of meeting at shorter notice, necessary consent has been sought at the meeting and a system exists for

seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

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 Committee of the Board, as the case may be. In case of resolution(s) involving interest of any one of the directors present in the meeting, the respective director has abstained from discussion and voting on such resolution(s).

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

I further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, half yearly financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 and the annual financial statements, Cost Records has not been reviewed in this audit report, since the same have been subject to the statutory financial audit/cost audit by other designated professionals.

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

I further report that during the audit period:

the Company got listed on the EMERGE Platform of National Stock Exchange (NSE), effective from 27th December, 2024 and successfully issued and allotted 46,40,000 of Rs. 10/- each through IPO which resulted in an increment of paid-up share capital from Rs. 12,64,76,000/- (Rupees Twelve Crore Sixty Four Lakhs Seventy Six Thousand Only) to Rs. 17,28,76,000/- (Rupees Seventeen Crore Twenty Eight Lakhs Seventy Six Thousand Only).

I further report that during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards.

FOR SHANU MATA AND ASSOCIATES

SD/-

SHANU BHAGWANDAS MATA

Proprietor

Peer Review No: 2888/2023

FCS No: 12161

CP No: 17999

UDIN:F012161G001132500

Place: Mumbai

Date:30.08.2025

'Annexure I'

List of applicable laws to the Company Under the Major Group and Head are as follows: –

- A.** Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis, wherever applicable as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- B.** Acts as prescribed under Direct tax and Indirect Tax;
- C.** Labour welfare Act of respective States;
- D.** Trade Marks Act, 1999;
- E.** Acts as prescribed under Shop and Establishment Act of various local authorities.;
- F.** Industry laws and regulations such as The Legal Metrology Act, 2009 ("Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011, Bureau of Indian Standards Act, 2016, The Micro, Small and Medium Enterprises Development Act, 2006, Transfer of Property Act, 1882, Sale of Goods Act, 1930, The Registration Act, 1908, Kerala Panchayath Raj Act 1994;
- G.** Environmental laws such as The Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, Noise Pollution (Regulation and Control) Rules, 2000;
- H.** The Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder;
- I.** General Corporate and other Allied Laws:

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Consumer Protection Act, 1986, Competition Act, 2002 and corporate Acts namely Companies Act, 2013.

Place: Mumbai

Date: 30.08.2025

FOR SHANU MATA AND ASSOCIATES

SD/-

SHANU BHAGWANDAS MATA

Proprietor

Peer Review No: 2888/2023

FCS No: 12161

CP No: 17999

'Annexure II'

To,

The Members,

NEWMALAYALAM STEEL LIMITED

(Formerly known as Newmalayalam Steel Private Limited)

Registered Office: Door No. 2/546/A & 2/546/B Mala,

Pallipuram P O, Mala, Thrissur, Kerala, India-680732

My report of the event is to be read along with this letter.

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

Place: Mumbai

Date: 30.08.2025

FOR SHANU MATA AND ASSOCIATES

SD/-

SHANU BHAGWANDAS MATA

Proprietor

Peer Review No: 2888/2023

FCS No: 12161

CP No: 17999

ANNEXURE C TO THE BOARD'S REPORT OF NEWMALAYALAM STEEL LIMITED**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****I. ECONOMIC OVERVIEW, INDUSTRY STRUCTURE AND DEVELOPMENTS****1. GLOBAL ECONOMY:**

The global economy is undergoing a gradual recovery in 2024, though growth momentum remains weak. Looking ahead to 2025, global economic growth is expected to remain stable but with widening disparities across regions. Inflation is projected to continue its downward trajectory, while labor markets are expected to remain relatively stable. Fiscal policies worldwide are anticipated to return to normalized pathways, while monetary policies are likely to maintain their accommodative stance.

Global trade is expected to recover, driven by easing supply chain pressures and the restructuring of supply and value chains. Cross-border investments are also projected to gradually rebound, though flows will likely exhibit pronounced regional disparities. However, the global growth outlook remains subject to downside risks, particularly geopolitical uncertainties and potential policy shifts from the new U.S. administration, which could significantly impact the recovery trajectory.

The steel industry plays a vital role in the world economy, serving as the backbone of modern infrastructure and industrial development. Steel is a critical input in the production of various goods, including buildings, bridges, automobiles, appliances, and machinery. The industry's significance can be gauged from the fact that every ton of steel produced supports around \$1,000 of economic activity, generating substantial employment opportunities and contributing to GDP growth. Furthermore, the steel industry is a key driver of technological innovation, with ongoing research and development aimed at

improving production processes, reducing environmental impact, and developing new steel products with enhanced properties.

The steel industry's importance extends beyond its economic contributions, as it also plays a critical role in supporting sustainable development and addressing global challenges. Steel is an essential material in the construction of renewable energy infrastructure, such as wind turbines and solar panels, which are critical for reducing greenhouse gas emissions and mitigating climate change. Additionally, steel is used in the production of energy-efficient buildings, transportation systems, and appliances, which help reduce energy consumption and support sustainable lifestyles. The industry's commitment to sustainability is also reflected in its efforts to reduce its environmental footprint, including investments in cleaner production technologies and the development of recycled steel products.

2. INDIAN ECONOMY:

The Reserve Bank's monthly bulletin for March 2025 states that the Indian economy continues to demonstrate resilience despite global challenges. According to an article titled "State of the Economy" in the bulletin, the global economy is being tested by escalating trade tensions and a heightened wave of uncertainty around the scope, timing, and intensity of tariffs.

However, the article noted that the Indian economy has improved despite these challenges, as evident in the robust performance of the agriculture sector and rising consumption. According to the article, India's macroeconomic strength in facing these challenges is bolstered by a decline in headline CPI inflation to a seven-month low of 3.6 per cent in February 2025, driven by a further correction in food prices. The article also highlights that sound fiscal policies, a well-calibrated monetary framework, and digital transformation initiatives are expected to provide a strong foundation for long-term sustainable economic growth.

One of the primary forces behind industrialization has been the use of metals. Steel has traditionally occupied a top spot among metals. Steel production and consumption are frequently seen as measures of a country's economic development because it is both a raw material and an intermediary product. Therefore, it would not be an exaggeration to argue that the steel sector has always been at the forefront of industrial progress and that it is the foundation of any economy. The Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

India is the world's second-largest producer of crude steel, with an output of 137.96 MT of crude steel and finished steel production of 132.57 MT in FY25. India's domestic steel demand is estimated to grow by 9-10% in FY25 as per ICRA. The steel industry in India is a cornerstone of the economy, contributing significantly to GDP and employment. It provides direct and indirect jobs to millions, supports various sectors like construction, defense, railways, automobiles, energy, and capital goods, and plays a vital role in infrastructure development. The industry's growth is driven by domestic availability of raw materials and cost-effective labor, making it a major contributor to India's manufacturing output. The Indian steel industry is modern, with state-of-the-art steel mills and a focus on continuous modernization and energy efficiency. The sector's growth is projected to continue, with annual growth rates expected to range from 5% to 7.3%.

3. INDUSTRY IN WHICH OUR COMPANY OPERATES

Our Company was incorporated on March 31, 2017 as 'NewMalayalam Steel Private Limited', for taking over the entire business of M/s. Demac Steel along with its assets and liabilities in entirety, on a going concern basis (the "Transfer"). Our Company entered into an agreement to sell business undertakings executed dated August 7, 2017 with M/s. Demac Steel and undertook the transfer of the Assets and Liabilities for a total consideration of ₹ 532.39 lakhs.

Further, our Company was converted into a public limited company pursuant to a resolution passed by Board of Directors in their meeting held on December 15, 2023 and by our Shareholders in an Extraordinary General Meeting held on December 19, 2023 and consequently the name of our Company was changed to 'NewMalayalam Steel Limited' and a fresh certificate of incorporation dated February 1, 2024 was issued by the Registrar of Companies, Central Processing Centre.

In 2018, our Company commenced manufacturing of galvanised pipes, tubes, and sheets by installing another electric resistance welding tube mill of an installed capacity of 3,500 MT in our manufacturing unit situated at Door No. 2/546/A & 2/546/B Mala, Pallipuram P O, Mala, Thrissur - 680 732, Kerala, India. Our products find extensive application in the general households of Kerala. Galvanised pipes and tubes are used for building the roofs to reduce heat and avoid leakage, further the galvanisation process offers an added advantage of increasing the life of the product and enhancing its quality by making it rust-free. Our products are therefore manufactured to provide an effective solution to the continuous damage caused to houses in Kerala on account of inclement weather conditions. Accordingly, our products experience a constant demand on account of being an indispensable raw material in the construction industry in Kerala. In order to capture the market and cater to the growing demand, in the year 2019, we increased our manufacturing capacity by installing another electric resistance welding tube mill of an installed capacity of 4,000 MT in our manufacturing unit.

COMPETITIVE STRENGTHS:

- i. **Widespread distribution network and presence across various retail channels.**

Our company has invested in establishing robust processes, teams, and technology to manage our distribution channels and retail presence, leveraging a unique business model to market and sell our products. We have engaged a network of dealers to ensure easy product availability, efficient

supply chain, focused customer service, and short turnaround times. Our sales and marketing team periodically reviews new products, assesses market trends, and develops business relations, supported by an efficient sales team that makes our products available to retailers and wholesalers in Kerala. Through our distribution network, we stay connected with customers, perceive market requirements, and improve our products to meet their needs. With a focused approach to creating brand awareness, we target deeper penetration in small cities and towns, and have deployed a team of sales professionals in Kerala to provide guidance and assistance to our dealers, enabling us to identify market trends, connect with consumers, and gain their trust over the years.

ii. Diversified Product Basket

We are engaged in manufacturing and supply of steel tubes and pipes. We provide various products such as: a) Circular hollow sections, also known as round steel tubes. These are a common type of steel section that is used in a variety of formats over various industries in India. b) Hot rolled rectangular steel tube is ideal for structural applications, general fabrication, repairs and manufacturing. Its box-shape design allows for increased strength and rigidity over other shapes of hot rolled steel. Hot rolled rectangular steel tubes are easy to cut, weld, form and machine. C) DEMAC square steel tubing is valued for its overall strength, durability and ability to withstand extreme temperatures, pressures and a wide range of elements. Square steel tubing is regularly used for domestic and industrial applications and is easily welded, formed and drilled. and many other products such as GP Pipes, GI Pipes, coil, sheet, slit and many others.

Owing to our wide range of products, our business and results of operations are less susceptible to price fluctuation or disruptions in market trends.

iii. Brand recall and established track record.

Our brand "Demac Steel" has established a strong reputation and quality, enabling us to build brand equity and cater to customer needs. With a deep understanding of the steel industry, we've developed home-grown brands, marketed through our dealers and sales teams. We focus on creating a diverse portfolio to gain market share, enhance brand visibility, and sustain demand with value-added products, ultimately enjoying considerable brand equity and reliability in the market.

iv. Existing client and supplier relationships

We prioritize addressing customer needs and fostering long-term relationships with our dealers and customers, resulting in repeat business and a strong retention strategy. Our existing relationships generate multiple repeat orders, representing a competitive advantage in acquiring new dealers and expanding our business. As a small to medium-sized organization, we leverage personal relationships to drive growth and believe our existing relationships will remain a core competitive strength.

v. Quality Assurance and Quality Control of our products.

We prioritize quality, with well-defined procedures guiding our manufacturing process from raw material procurement to product distribution. Our experienced Quality Division team ensures compliance with regulatory standards, conducting rigorous checks and inspections at every stage. Our in-house laboratory enables thorough testing of raw materials, semi-finished, and finished products. Our commitment to quality has earned us ISO 9001:2015 certification from Jas Global Certifications, demonstrating our adherence to international quality management standards.

OUR BUSINESS STRATEGIES:

- i. Increasing our manufacturing capacity to focus on the growing demand of our core products
- ii. Strengthen our brand value and create awareness for our new products
- iii. Strengthen our marketing network
- iv. Improving operational efficiencies
- v. Leveraging our Market skills and Relationships
- vi. Value proposition for consumers

II. OPPORTUNITY AND THREATS**1. OPPORTUNITIES**

- **Growing Demand from Infrastructure and Construction Sectors:** The rapid pace of urbanization and industrialization in India has led to a surge in demand for steel products, particularly in the construction of infrastructure projects such as roads, bridges, and buildings
- **Technological Advancements and Innovation in Steel Manufacturing Processes:** Technological advancements such as electric arc furnaces, continuous casting, and automation have revolutionized the steel manufacturing process, leading to higher productivity, improved quality, and cost efficiency.
- **Government Initiatives:** Indian government plans to reduce imports by 50% in FY26 to become a net exporter of steel in the near future. The Directorate General of Trade Remedies (DGTR) has recommended a 12% provisional safeguard to protect domestic

players from surge in imports and potentially increasing their profitability. This development could potentially lead to a decrease in imports and increase market competitiveness.

- **Sustainable Steel Production:** The steel industry's future must prioritize responsible and sustainable growth, focusing on reduced carbon emissions and de-carbonization. To maintain self-sufficiency in steel, securing a sustainable supply of raw materials like iron ore and coking coal is crucial. While India has ample iron ore reserves, production must be increased by identifying and auctioning more captive and commercial mines, and adopting advanced technologies to boost output from existing mines

2. THREADS

- **Supply Chain Issues:** Disruptions in the supply chain can affect inventory levels and delivery times.
- **Economic Instability:** Economic downturns can reduce business investment in new equipment.
- **Market Saturation:** High competition and market saturation can drive down prices and reduce profit margins.
- **Customer Credit Risk:** Issues with customers defaulting on payments can affect cash flow and financial stability.
- **Rising Imports and Costs:** The industry faces challenges from increasing imports, high raw material prices, and geopolitical uncertainties.

High Energy Consumption: The steel industry is energy-intensive, with high specific energy consumption compared to global averages.

- **Demand Prediction and Fluctuations:** The steel industry faces challenges in predicting demand, which can lead to delayed returns on investment. Demand fluctuations also affect production planning and capacity utilization

III. PRODUCT-WISE PERFORMANCE

Products	Amount (In Rs.)	Percentage of Revenue
GP Pipes	2,71,56,66,465	90.3973679
GI Pipes	1,78,53,914.85	0.5943097
Coil	13,33,34,657	4.43835876
Sheet	8,46,65,998.42	2.81830759
Others	5,26,22,258.59	1.75165608
Total	3,00,41,43,293	100

IV. OUTLOOK

India's steel industry is poised for robust growth, fueled by government-driven infrastructure initiatives, increasing domestic demand, and a shift towards green steel production. The sector aims to achieve 300 million tonnes per annum capacity by 2030-31, driven by enhanced capacity utilization, technological innovations, and sustainable practices. Government infrastructure investments, rising demand from the automobile and construction sectors, adoption of eco-friendly production methods and

integration of digital advancements will propel India's steel industry towards a sustainable and technologically advanced future.

India's steel industry is poised for growth, driven by robust domestic demand, supportive government policies, and ongoing investments. With an expected 8% increase in steel demand by 2025, India will be one of the fastest-growing steel markets globally. Infrastructure development, housing and construction, and manufacturing will fuel this growth. While the industry must address global economic uncertainties and environmental concerns, opportunities abound in sustainable steel production and export, leveraging India's strategic location for easy access to Middle Eastern and European markets.

V. RISK AND CONCERN

- **Capital and labour intensive industry:** One of the main problems faced by the steel industry in India is that it is highly capital and labour intensive. According to a PwC report, around ₹7,000 crore are required to establish a steel plant having a capacity of 1 tonne. As a result, arranging for finances becomes a challenge. Apart from finances, the steel industry is also a labour - intensive industry. While labour is available, labour management becomes another challenge for many steel companies.
- **Demand prediction:** Yet another challenge of the steel industry is fluctuating demand. As it fluctuates from time to time, it becomes difficult for steel makers to predict the demand and produce accordingly. This results in delayed returns on investment.

- **Logistics related challenges:** The main raw materials for making steel are iron ore and coking coal. Both these are bulk materials while the finished product i.e., steel is also a bulk material. Meaning, they are not regular goods to be transported and need to be handled differently. Although the National Logistics Policy aims at bringing down the cost, it is still to become a reality.
- **Disruptions in raw material supply:** Disruption in supply of raw materials is yet another problem faced by the steel industry in India. Key raw materials for steel production include iron ore and coking coal. Though iron ore is available domestically, India needs to import coking coal and it is mainly imported.
- **Increasing environment concerns:** The steel industry is highly energy-intensive, ranking second after the chemical sector, resulting in a substantial carbon footprint. Growing environmental concerns are diminishing steel's popularity, and the industry must adapt to new norms. However, by leveraging modern energy management systems and cutting-edge technologies, the steel industry can transition towards a more eco-friendly and competitive future.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The policies and procedures adopted by the company to ensure the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and the timely preparation of reliable financial information.

The Internal Auditor and the Management continuously monitors the efficacy of the Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an effectiveness of the organization's risk management with regard to the Internal Financial Control system.

The Audit Committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statement, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company has reported total revenue of Rs. 30,416.43 Lakhs for the current year as compared to Rs. 30,016.06 Lakhs in the previous year. The Net Profit for the year under review amounted to Rs. 440.98 Lakhs in the current year as compared to Profit incurred in last year amounting Rs. 426.86 Lakhs.

VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company's human resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company acknowledges that its principal asset is its employees. The expertise of the management team, the professional training provided to the staff, their personal commitment and

their spirit of teamwork together enhances the Company's net worth. The Company has taken various steps for strengthening organizational competency through the involvement and development of employees as well as installing effective systems for improving their productivity and accountability at functional levels. Ongoing in-house and external training is provided to employees at all levels to

update their knowledge and upgrade their skills and abilities. The effort to rationalize and streamline the workforce is a continuous process. The industrial relations scenario has remained harmonious throughout the year.

IX. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO

Ratios	As at 31.03.2025	As at 31.03.2024	Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year.
Current Ratio	3.11	1.42	119.10	The significant increase in the current ratio is primarily attributable to an increase in current assets, specifically due to funds held in the IPO bank account. This increase in liquid assets has improved the company's short-term liquidity position as of the balance sheet date.

Debt-equity ratio	0.26	1.87	(86.20)	The substantial decline in the debt equity ratio is due to a significant increase in shareholder's equity during the year due to the IPO.
Debt service coverage ratio	1.13	1.26	(10.39)	-
Return on equity ratio	0.06	0.11	(48.83)	The decline in the ROE ratio is primarily due to a significant increase in average shareholder's equity during the year, following fresh equity through IPO. While net profits have remained stable, the proportionate rise in equity has diluted the return on equity percentage.
Inventory turnover ratio	8.31	7.42	11.98	<p>The improvement in the inventory turnover ratio indicates enhanced sales performance and more efficient inventory management during the year. This suggests the company has been able to</p> <p>convert its inventory into sales more frequently, reflecting strong demand and</p> <p>streamlined supply chain operations.</p>

Trade receivables turnover ratio	12.97	18.85	(31.21)	<p>The decline in the trade receivables turnover ratio indicates that receivables are being collected at a slower pace compared to the previous year. This is due to customers requiring longer credit periods, leading to higher outstanding receivables.</p>
Trade payables turnover ratio	33.87	21.85	55.01	<p>The increase in the trade payables turnover ratio is primarily due to a reduction in average trade payables. The Company is settling its obligations more quickly than in the previous year.</p>
Net capital turnover ratio	5.58	10.75	(48.07)	<p>The decline in the net capital turnover ratio is due to a significant increase in average working capital due to IPO.</p>
Net profit ratio	0.01	0.01	2.10	-
Operating Profit ratio	2.41	2.68	-10.5	<p>Due to the increase in cost of goods sold at a higher rate than sales, resulting in margin reduction.</p>

Return on capital employed	0.11	0.18	36.62	<p>The decline in ROCE from 18.00% to 11.61%, and further negative at (35.49)%,</p> <p>is mainly due to a significant increase in Capital Employed resulting from the recent Initial Public Offering (IPO). While EBIT remained</p> <p>relatively stable, the substantial rise in Capital Employed diluted the ratio, causing ROCE to decrease.</p>
Return on investment	0.06	0.11	48.83	<p>The decrease in ROI from 11.00% to 5.63% is mainly due to a significant increase in Investment Cost resulting from the recent IPO. Although Profit After Tax remained relatively stable, the larger investment base from the IPO diluted the ROI percentage.</p>
Return on Net Worth	0.06	0.11	48.83	<p>The decline in the ROE ratio is primarily due to a significant increase in average shareholder's equity during the year, following fresh equity through IPO. While net profits have remained stable, the proportionate rise in equity has diluted the return on equity percentage.</p>

ANNEXURE D TO THE BOARD'S REPORT OF NEWMALAYALAM STEEL LIMITED**DIRECTORS' AND EMPLOYEES' REMUNERATION INFORMATION**

(Disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration) Rules, 2014)

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors/ KMP of the Company are furnished as follows:

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(Amount in Lakhs)

Name of Director/KMP	Designation	Remuneration for FY- 2024-25	Remuneration for FY- 2023-24	Ratio of Remuneration of director to Median Remuneration of employees	Increase/ (Decrease) in remuneration from previous year	% increase in remuneration from previous year
Varghese Vazhappily Davis	Managing Director	24.00	54.00	13.33	(30.00)	Not Applicable#
Mahendra Kumar Jain	Chairman & Executive Director	24.00	54.00	13.33	(30.00)	Not Applicable#
Divyakumar Jain	Executive Director	24.00	54.00	13.33	(30.00)	Not Applicable#
Cyriac Varghese	Whole-Time Director	12.00	19.72	6.66	(7.72)	Not Applicable#
Suman Jain	Director	-	-	-	-	-

Molly Varghese	Whole-Time Director	24.00	60.44	13.33	-	-
Jijo Maliyakkal	Independent Director	-	-	-	-	-
Veliyath Antony Davies	Independent Director	-	-	-	-	-
Rahul Mamman Abraham	Independent Director	-	-	-	-	-
Shravan Kannan Dev	Company Secretary	2.80	2.40	Not Applicable	0.40	16.66%
Rahul Jain	Chief Financial Officer	2.93	-	Not Applicable	Not Applicable	Not Applicable

#the remuneration decreased from previous financial year.

- i. The median remuneration of employees other than the Whole-time directors/Managerial Personnel of the Company during the financial year was Rs. 1,80,000
 - ii. In the financial year, there was no increase in the median remuneration of employees
 - iii. There were 142 permanent employees on the rolls of Company as on 31st March, 2025
 - iv. average percentile increases 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
- Average percentile increases already made in the salaries of employees – 10%.
Remuneration of managerial personnel is declined compared to the percentage of salaries of employees
- v. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the

Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

vi. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Vii. Details of top ten employees of the Company in terms of remuneration drawn:

Details of employees under Rule 5 (2) of the Companies (Appointment and Remuneration) Rules, 2014 as amended from time to time:

Sr. No.	Name of the Employee and Designation of the Employee	Remuneration Received Annually (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of Commencement of employment/ Resignation	The age of such employee	The last Employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company	Whether any such Employee is a relative of any director or manager of the company and if so, name of such director or manager
1.	Mathew G Thekkekara - Senior Sales Manager	9,89,124.00	Permanent Employee	MBA 30 Years	07.08.2017	64	Prime Metals	Nil	Nil
2.	Pramod Kumar Singh - Mill Operator	6,89,277.60	Permanent Employee	Basic School 20 Years	07.08.2017	37	Chennai Nezone Tubes	Nil	Nil

3.	Thomas K.T - Factory Manager	6,38,880.00	Permanen t Employee	Diploma in operations, maintenance and security of signal equipment and communications 30 Years	07.08.2017	59	Indian Armed Force	Nil	Nil
4.	Chandahas Singh - Mill Operator	6,37,764.00	Permanen t Employee	Basic School 21 Years	07.08.2017	39	Biniraka Steel	Nil	Nil
5.	Peetham - Maintenance Head	6,37,761.60	Permanen t Employee	Basic School 15 Years	07.08.2017	32	Smlash Ispat Pvt Ltd	Nil	Nil
6.	Rajesh Prasad Mallah - Slitting Operator	6,37,761.60	Permanen t Employee	Basic School 20 Years	07.08.2017	38	Apollo Tubes	Nil	Nil
7.	Sanjaya Singh - Maintenance Head	6,37,761.60	Permanen t Employee	Basic School 19 Years	07.08.2017	36	Apollo Tubes	Nil	Nil
8.	Vasant Kumar - Mill Operator	6,37,761.60	Permanen t Employee	Basic School 23 Years	07.08.2017	40	Inframmat Alloys	Nil	Nil
9.	Shambhu Ram - Mill Operator	6,23,267.10	Permanen t Employee	Basic School 23 Years	07.08.2017	40	Sufi Structural Tubes	Nil	Nil
10.	Arun Kumar - Electrical	6,00,000.00	Permanen t Employee	B Tech 10 Years	01.08.2018	31	Rama Steel	Nil	Nil

	Engineer	0	Employee						
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Directors of the Company have been paid remuneration in excess of the limits prescribed under section 197 of The Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for which the company has taken Board and Shareholders approval.

No employee is in receipt of remuneration exceeding in aggregate of Rs. 1,02,00,000/- if employed throughout the year 8,50,000/- per month if employed for a part of the year

ANNEXURE E TO THE BOARD'S REPORT OF NEWMALAYALAM STEEL LIMITED

REPORT ON CSR ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2025

1. A brief outline of the company's CSR policy:

At Newmalayalam Steel Limited, we are constantly aware of our role in society, as that of a mentor and a builder of the lives of the children of our society, and therefore, its future. Hence, as a corporate entity, we at IMS strive at every stage to integrate the larger economic, environmental and social objectives with our core operations and growth. We endeavor to evolve our relationship with all our stakeholders for the common good, and validate our commitment in this regard by adopting appropriate business processes and strategies.

Our vision is "to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker and marginalized sections of society and raise the country's human development index".

Implementation process: Identification of projects

Arising from this our focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing social causes. Our activities are in line with Schedule VII of the Companies Act, 2013.

Your Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013.

2. The Composition of the CSR Committee.

	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
	Mr. Vazhappily Davis Varghese	Managing Director	3	3
	Mr. Rahul Mamman Abraham	Independent Director	3	2
	Mr. Mahendra Kumar Jain	Chairman & Executive Director	3	3

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: **info@demacsteel.com**
4. Provide the executive summary along with web-links 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: **N.A**

5.

	Average net profit of the company as per sub-section (5) of section 135	Rs. 7,58,85,000/-
	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 15,20,000/-
	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
	Amount required to be set-off for the financial year, if any.	NIL
	Total CSR obligation for the financial year [(b)+(c)-(d)].	Rs. 15,20,000/-

6.

	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	0
	Amount spent in Administrative Overheads.	0
	Amount spent on Impact Assessment, if applicable.	0
	Total amount spent for the Financial Year [(a)+(b)+(c)].	0
	CSR amount spent or unspent for the Financial Year:	
Total Amount Spent for the Financial	Amount Unspent (in Rs.)	
	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.

Year. (in Rs.)	Amount.	Date of transf er.	Name of the Fund	Amo unt.	Dat e of tran sfer.
0	Rs. 15,20,000/ -	28.04. 2025	-	-	-

f. **Excess amount for set off, if any:**

Particular	Amount (in Rs.)
Two percent of average net profit of the company as per section 135(5)	Rs. 15,20,000/-
Total amount spent for the Financial Year	NIL
Excess amount spent for the financial year [(ii)-(i)]	NIL

	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in unspent CSR account under sub-section 6 of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to a fund specified under Schedule VII as per second proviso section 135(5), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Name of the Fund	Amount (in Rs.)	Date of transfer.		
1	23-24	17,80,000/-	17,80,000/-	-	-	-	-	17,80,000/-	-
2	22-23	14,00,000/-	14,00,000/-	14,00,000/-	-	-	-	-	-
3	21-22	-	-	-	-	-	-	-	-
	Total	31,80,000/-	31,80,000/-	14,00,000/-	-	-	-	17,80,000/-	-

- Corporate Social Responsibility amount spent in the Financial Year: **NO**

If Yes, enter the number of Capital assets created/ acquired: **NA**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

SL No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
-NA-							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135:

In earlier years, the Company decided to allocate CSR funds for a drinking water facility project proposed by Poyya Grama Panchayath, with planned spending of accumulated obligations from FY 2022-23, FY 2023-24, and FY 2024-25. The Company had accordingly deposited the Rs. 14 Lakhs of 2022-23 and Rs. 17.80 Lakhs of 2023-24 in its CSR unspent account with SBI.

Subsequently, the Panchayath received government funding for the same project, and the Company dropped its original plan. Therefore:

- 14.00 Lakhs (FY 2022-23 obligation) was utilized during FY 2024-25 on alternate eligible CSR activity as a contribution to Jaihind Foundation (CSR Reg No. CSR 00025823).
- The unspent CSR amount of ₹17.80 lakhs, pertaining to the FY 2023-24 obligation, has been earmarked for a new housing project aimed at supporting the local community residing in and around the company's operational area in Poyya, Thrissur. The project falls under the 'rural development' and 'measures for reducing inequalities faced by socially and economically backward groups categories of Schedule VII. The initiative was duly approved by the CSR Committee at its meeting held on 19th March 2025, and later by the Board at the meeting held on the same day. The amount continues to be maintained in the CSR Unspent Account and is scheduled to be utilized in the upcoming financial year.
- Further, an additional amount of ₹15.20 lakhs relating to the FY 2024-25 proposed contribution for the above-mentioned housing project was deposited into the CSR Unspent Account.

SD/-

Mr. Varghese Vazhappily
Davis

Chairman — CSR
Committee

Managing Director

DIN: 07763636

Place: Thrissur

Date: 30.08.2025

SD/-

Mahendra Kumar Jain

Member of CSR
Committee

Chairman and Director

DIN: 01689078

INDEPENDENT AUDITOR'S REPORT

To the Members of Newmalayalam Steel Limited

(Formerly known as Newmalayalam Steel Private Limited)

Report on the Audit of Financial Statements Opinion

We have audited the accompanying financial statements of **Newmalayalam Steel Limited (Formerly known as Newmalayalam Steel Private Limited) (the "Company")**, which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss for the year then ended, Statement of cash flow for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2025,
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- c) in the case of the Statement of cash flow, of the cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the

financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence obtained by is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matter(s)

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion there on and we do not provide a separate opinion on this matter. We have determined that there are no key audit matters to be communicated in our report.

Information other than the financial statements and auditors' report thereon

The company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's report including annexures to board's report, Business responsibility report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of 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 the Management and Those Charged with Governance for the Financial Statements.

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 and Board of directors.
- 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Emphasis of Matter

Attention is invited to following notes of the financial statements:

- The Company has disclosed details of Corporate Social Responsibility under section 135 of Companies Act, 2013. Refer note 55 of the Financial Statements.

Other Matters

The financial statements of the company for the year ended March 31, 2024, were audited by another auditor who expressed an unmodified opinion on the financial statements.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report), 2020 ('the Order') issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, We report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the financial statements.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as 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 and the Statement of Profit and Loss and Statement of cash flow dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025, from being appointed as a director in terms of Section 164(2) of the Companies Act 2013.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

g) The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act, 2013 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, in our opinion and to the best of our information and according to the explanation given to us:

i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer note 27 to the financial statements.

ii. The Company has no material foreseeable losses on long term contracts including derivative contracts during the year ended 31st March 2025, hence not required to make provision under the applicable law or Accounting Standards.

iii. No amount is required to be transferred to the Investor Education and Protection Fund by the Company as on 31st March 2025.

iv. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

A. no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entity(ies) (“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. no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entity(ies) ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to notice that has caused to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (I) and (II) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of Companies Act, 2013. Reporting on compliance with section 123 of The Companies Act, 2013 is, therefore not applicable this year.

vi. Based on our examination which includes test checks, and as communicated by the management , the company has used an accounting software for maintaining its books of account, which does not have a feature of recording audit trail(edit log) facility and the same has operated throughout the year.

For **KUMAR & BIJU ASSOCIATES LLP**

Chartered Accountants

Firm Reg. No.006113S

Thrissur

29.05.2025

CA Kiran S Kumar, B.COM, FCA

Designated Partner

Membership No. 246736

UDIN : 25246736BMLZAZ3867

ANNEXURE 'A'

TO THE INDEPENDENT AUDITORS' REPORT

(As referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our Independent Auditor's report to the members of the Newmalayalam Steel Limited (Formerly known as Newmalayalam Steel Private Limited) (the "Company") for the year ended 31st March 2025)

(i) In respect of the Company's property, plant and equipment and intangible assets:

(a)

(A) According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the company is maintaining proper records showing full particulars of intangible assets.

(b)

According to the information and explanations given to us and on the basis of our examination of the records, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.

(c)

According to the information and explanation given to us and on the basis of our examination of records of the company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements

are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d)

According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

Hence paragraph 3 (i) (d) of the order is not applicable to the company.

(e)

In our opinion and according to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Hence paragraph 3(i) (e) of the order is not applicable to the company.

(ii)

In respect of the company's inventories;

(a) According to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion and to the best of our information and according to the explanation given to us ,the coverage and procedure of such verification by the management is appropriate. The discrepancy of 10% or more in the aggregate, if any, noticed on physical verification for each class of inventory has not been computed and hence, we are unable to state whether such a discrepancy existed or not. The discrepancies noticed on physical verification have been properly dealt with in the books of account;

- (b) According to the information and explanation given to us the company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks or financial institutions are not in agreement with the books of account of the Company. The discrepancies are disclosed in note 35 to the Financial Statements of the Company.

(iii) (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 made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year in respect of which the requisite information is given below.

Name of the concern	Aggregate amount given during the year	Balance outstanding as on 31.03.2025
Demac Industries limited	37000000	0

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of loans and advances in the nature of loans, there is no stipulation of a schedule of repayment of principal or interest. We are therefore unable to comment on the regularity of repayment.

(d) The advances in the nature of loan given to Demac Industries limited were repaid before the end of the year. There was no amount overdue as on 31 March 2025 in respect of the advance in the nature of loan given to Demac Industries limited.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investment 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.

Hence paragraph 3 (v) of the order is not applicable to the company.

(vi) Pursuant to the rules made by the Central Government, the maintenance of Cost Records has been prescribed u/s. 148(1) of the Companies Act, 2013. We are of the view that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

- (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 is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, and any other statutory dues to the appropriate authorities.

No undisputed amounts payable in respect of statutory dues were in arrears, as at 31st

March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of

Customs, Value added tax, Cess or other statutory dues which have not been deposited on account of disputes, except for the following: -

SL No	Name of Statute	Nature of dues	Amount in ₹	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	1,88,05,510.00	2022-2023	CIT (Appeal)
2	Income Tax Act, 1961	Income Tax	1,12,71,920.00	2023-2024	CIT (Appeal)
3	Kerala State Goods & Service Tax Act, 2017 and Central Goods and Service Tax Act, 2017.	Penalty – GST	4,74,548.00	2021-2022	High Court - Kerala

(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.

(ix) In respect of borrowings:

- (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 repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanation given to us, the company is not declared as a willful defaulter by any Bank or Financial Institution or other lender.
- (c) In our opinion and according to information and explanation given to us, the company has taken a term loan which was applied for the purpose for which the loan was taken.

- (d) According to the information and explanation given to us, the funds raised for a short term basis have not been utilized for long term purposes by the company.
- (e) According to the information and explanation given to us, the company does not have any subsidiary or associate or joint venture and therefore, paragraphs 3(ix) (e) and 3(ix) (f) of the order are not applicable to the company.

(x) (a) Based on our audit procedures and according to information given by the management, money raised by the way of initial public offer during the year were applied for the purpose for which those are raised.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

Hence paragraph 3(x) (b) of the order is not applicable to the company.

(xi) In respect of fraud:

- (a) During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such a case by the Management.
- (b) Paragraphs 3(xi) (b) of the order is not applicable to the company as no fraud has been noticed during the year.
- (c) As per the information and explanation given to us, no whistle-blower complaints have been received during the

year by the company. Hence paragraphs 3(xi) (c) of the order is not applicable to the company.

(xii) According to the information and explanations given to us, the company is not a nidhi company. Accordingly, Paragraphs 3(xii) of the order is not applicable to the company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements of the Company as required by the applicable Accounting Standards.

(xiv) In respect of internal audit:

(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, reporting under paragraph 3 (xvi) (a) of the Order is not applicable.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, the

reporting under paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us during the course of audit, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, reporting under paragraph 3 (xvi) (d) of the Order is not applicable.

(xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year. We have obtained confirmation from the outgoing auditors that they have no objections or concerns regarding our appointment.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and the company is 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.

(xx) (a) 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 other than ongoing projects.

(b) The amount remaining unspent pursuant to ongoing project has been transferred to a special account on 23rd May, 2025. There was a delay in depositing the amount in accordance with the timeline prescribed under sub-section (6) of section 135 of the Companies Act 2013.

(xxi) Paragraph 3 (xxi) is not applicable to the company as there is no consolidated financial statements for the company.

For **KUMAR & BIJU ASSOCIATES LLP**
Chartered Accountants Firm Reg. No.006113S

Thrissur

29.05.2025

CA KIRAN S KUMAR, BCOM, FCA

Designated Partner

Membership No. 246736

UDIN : 25246736BMLZAZ3867

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 Newmalayalam Steel Limited (Formerly known as Newmalayalam Steel Private Limited) of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of Newmalayalam Steel Limited (Formerly known as Newmalayalam Steel Private Limited) (the “Company”) as on March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate

internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over

financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting 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 ICAI.

For **KUMAR & BIJU ASSOCIATES LLP**
Chartered Accountants Firm Reg. No.006113S

Thrissur

29.05.2025

SD/-

CA Kiran S Kumar, B.COM, FCA

Designated Partner

Membership No. 246736

UDIN : 25246736BMLZAZ3867

<p style="text-align: center;">NEWMALAYALAM STEEL LIMITED (Formerly known as Newmalayalam Steel Private Limited) CIN L27209KL2017PLC048762 Door No: 2/546/A And 2/546/B Mala, Pallipuram P O, Thrissur, Kerala, India, 680732 Balance Sheet As At 31st March, 2025</p>			
(₹ in Lakhs)			
Particulars	Note No.	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a. Share Capital	3	1,728.76	1,264.76
b. Reserves and Surplus	4	6,105.53	2,782.38
c. Money Received against Share Warrants		Nil	Nil
2. Share Application Money Pending Allotment			
3. Non-Current Liabilities			
a. Long-term borrowings	5	300.61	762.96
b. Deferred tax liabilities (Net)	6	144.79	140.86
c. Other Long term liabilities		Nil	Nil
d. Long Term Provisions		Nil	Nil
4. Current Liabilities			
a. Short-term borrowings	7	1,530.54	5,148.19
b. Trade payables	8		
-total outstanding dues of micro and small enterprises		5.52	4.38
-total outstanding dues of creditors other than micro and small enterprises		672.79	853.27
c. Other current liabilities	9	190.89	537.05
d. Short - term provisions	10	180.83	130.66
		10,860.26	11,624.51
II ASSETS			
1. Non-current assets			
a. Property, Plant & Equipments and Intangible Assets	11		
(i) Property, Plant and Equipment		1,956.38	2,032.44
(ii) Intangible Assets		0.43	0.03
(iii) Capital Work in Progress		830.32	53.53
b. Non Current Investment		Nil	Nil
c. Deferred tax assets (net)		Nil	Nil
d. Long term loans and advances		Nil	Nil
e. Other Non Current Assets	12	44.25	44.45
2. Current Assets			
a. Current Investment		Nil	Nil
b. Inventories	13	2,567.78	4,753.58
c. Trade Receivables	14	2,573.65	2,117.81
d. Cash and Bank Balance	15	2,024.85	1,291.44
e. Short Term Loans and Advances	16	531.52	298.54
f. Other Current Assets	17	331.08	1,032.69
		10,860.26	11,624.51
See accompanying notes forming part of the financial statements	1-62		
<p>As per our report of even date attached.</p> <div style="display: flex; justify-content: space-between;"> <div> <p>For Kumar & Biju Associates LLP Chartered Accountants Firm Registration No. 006113S</p> <p style="text-align: center;">SD / -</p> <p>CA Kiran S Kumar, B.COM FCA Designated Partner Membership No. 246736</p> <p>Place Thrissur Date 29-05-2025</p> </div> <div> <p>For and on behalf of the Board of Directors</p> <div style="display: flex; justify-content: space-between;"> <div> <p style="text-align: center;">SD / -</p> <p>Mahendra Kumar Jain Chairman DIN 01689078</p> <p style="text-align: center;">SD / -</p> <p>Shravan Kannan Dev Company Secretary</p> <p>Place Mala , Thrissur Date 29-05-2025</p> </div> <div> <p style="text-align: center;">SD / -</p> <p>Vazhappily Davis Varghese Managing Director DIN 07763636</p> <p style="text-align: center;">SD / -</p> <p>Rahul Jain CFO</p> </div> </div> </div> </div>			

<p align="center">NEWMALAYALAM STEEL LIMITED (Formerly known as Newmalayalam Steel Private Limited) CIN L27209KL2017PLC048762 Door No: 2/546/A And 2/546/B Mala, Pallipuram P O, Thrissur, Kerala, India, 680732 Profit & Loss Account for the year ended 31st March, 2025</p>				
(₹ in Lakhs)				
Particulars		Note No.	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
I	Revenue from Operations	18	30,416.43	30,016.06
II	Other Income	19	420.12	298.74
III	Total Income		30,836.55	30,314.80
IV	EXPENSES			
	Cost of Materials Consumed	20	26,735.88	30,964.06
	Purchase of Stock-in-Trade	21	143.63	263.22
	Change in Inventories of Finished Goods, Work-in-Progress	22	2,358.92	2,536.70
	Employee Benefits Expenses	23	279.67	363.61
	Finance Cost	24	342.98	320.19
	Depreciation and Amortization Expense	25	164.04	155.96
	Other Expenses	26	209.79	217.46
			30,234.91	29,747.79
V	Profit before exceptional and extraordinary items and tax		601.64	567.02
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax		601.64	567.02
VIII	Extraordinary items		-	-
IX	Profit before tax		601.64	567.02
X	Tax Expense			
	a. Current Tax		156.73	130.66
	b. Deferred Tax		3.93	9.50
			160.66	140.16
XI	Profit/(Loss) for the period from continuing operations		440.98	426.86
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit/ (Loss) after tax (XI + XIV)		440.98	426.86
XVI	Earning per equity share of Rs. 10/- each			
	a. Basic		3.19	3.38
	b. Diluted		3.19	3.38
See accompanying notes forming part of the financial statements		1-62		
<p>As per our report of even date attached.</p> <p>For Kumar & Biju Associates LLP Chartered Accountants Firm Registration No. 006113S</p> <p align="center">SD / -</p> <p>CA Kiran S Kumar, B.COM FCA Designated Partner Membership No. 246736</p> <p>Place Thrissur Date 29-05-2025</p>				
<p align="center">For and on behalf of the Board of Directors</p> <p align="center">SD / -</p> <p>Mahendra Kumar Jain Chairman DIN 01689078</p> <p align="center">SD / -</p> <p>Shravan Kannan Dev Company Secretary</p> <p>Place Mala , Thrissur Date 29-05-2025</p> <p align="center">SD / -</p> <p>Vazhappily Davis Varghese Managing Director DIN 07763636</p> <p align="center">SD / -</p> <p>Rahul Jain CFO</p>				

<p style="text-align: center;">NEWMALAYALAM STEEL LIMITED (Formerly known as Newmalayalam Steel Private Limited) CIN L27209KL2017PLC048762 Door No: 2/546/A And 2/546/B Mala, Pallipuram P O, Thrissur, Kerala, India, 680732 Cash Flow Statement for the year ended 31st March, 2025 (₹ in Lakhs)</p>			
Particulars		Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
(A)	Cash Flow from Operating Activities		
	<u>Net profit before Tax as per the Profit & Loss Account</u>	601.64	567.02
	<u>Adjustment for:-</u>		
	Interest Paid	342.98	304.32
	Interest Received	- 111.81	- 60.79
	Income from excess depreciation claimed	- 1.40	-
	Provision for Gratuity	24.10	-
	Unrealised foreign exchange Gain	- 6.09	-
	Depreciation	164.04	155.96
	<u>Operating Profit Before Working Capital Changes</u>	1,013.47	966.51
	<u>Adjustment for Current Assets & Liabilities</u>		
	(Increase)/Decrease in trade receivable	- 455.84	- 1,051.44
	(Increase)/Decrease in long term loans & advances	-	-
	(Increase)/Decrease in short term loans & advances	- 232.98	389.60
	(Increase)/Decrease in stock	2,185.80	1,089.31
	(Increase)/Decrease in other current assets	701.61	633.99
	Increase/(Decrease) in current liabilities	- 346.16	335.12
	Increase/(Decrease) in trade payable	- 179.34	920.02
	Direct taxes paid	- 130.66	188.37
	Cash Generated from (utilized in) Operating Activities (A)	2,555.90	- 2,191.90
(B)	Cash flow from Investment Activities		
	Interest Received	111.81	60.79
	Non Current Asset	0.20	44.39
	(Increase)/Decrease in Long term loans & advances	-	40.75
	Purchase of fixed assets	- 863.77	59.27
	Cash generate from (utilised in) Investing Activities (B)	- 751.76	- 2.12
(C)	Cash flow from Financing Activities		
	Increase/(Decrease) in Short term borrowings	- 3,617.65	3,542.19
	Increase/(Decrease) in Share capital	464.00	-
	Increase/(Decrease) in Security premium	2,882.17	-
	Increase/(Decrease) in Long term liabilities	-	446.26
	Increase/(Decrease) in Long term borrowings	- 462.35	-
	Interest & other finance expenses paid	- 342.98	304.32
	Cash generated from (utilised in) Financing Activities (C)	- 1,076.81	2,791.61
	Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	727.33	597.59
	Cash & Cash Equivalents As At Beginning of the Year	1,291.44	679.85
	Cash & Cash Equivalents As At End of the Year (Refer Note below)	2,018.77	1,277.44
Notes to the cash flow statement			
Particulars		Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
	Cash in Hand	0.31	2.99
	Bank Balance	2,024.54	1,288.46
	Effect of exchange rate changes	- 6.09	-
	Effect of regrouping of CSR Deposit	-	14.00
	Cash & Cash Equivalents at the End of the Year Adjusted	2,018.77	1,277.44
<p>As per our report of even date attached.</p> <div> <div> For Kumar & Biju Associates LLP Chartered Accountants Firm Registration No. 006113S SD / - CA Kiran S Kumar, B.COM FCA Designated Partner Membership No. 246736 Place Thrissur Date 29-05-2025 </div> <div> For and on behalf of the Board of Directors <div> SD / - Mahendra Kumar Jain Chairman DIN 01689078 </div> <div> SD / - Vazhappily Davis Varghese Managing Director DIN 07763636 </div> <div> SD / - Shravan Kannan Dev Company Secretary Place Mala , Thrissur Date 29-05-2025 </div> <div> SD / - Rahul Jain CFO </div> </div> </div>			

NEWMALAYALAM STEEL LIMITED
(Formerly known as Newmalayalam Steel Private Limited)
CIN L27209KL2017PLC048762

Door No: 2/546/A And 2/546/B Mala, Pallipuram P O, Thrissur, Kerala, India, 680732
Notes To Accounts Forming Part Of Financial Statements As At 31st March, 2025

CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

1 CORPORATE INFORMATION

Newmalayalam Steel Limited was incorporated as a Private Limited Company under the name Newmalayalam Steel Private Limited on 31st March 2017, in accordance with the provisions of the Companies Act, 2013. The Company was converted into a Public Limited Company and renamed as Newmalayalam Steel Limited on 1st February 2024. Subsequently, the Company was listed on the NSE Emerge platform on 27th December 2024.

The registered office and factory are located at Door No: 2/546/A and 2/546/B, Mala, Pallipuram P.O., Thrissur, Kerala, India – 680732.

The Company is engaged in the manufacture and trading of Galvanized Steel Pipes, Steel Tubes, and Galvanized Steel Sheets of various sizes under the brand name “DEMAC”.

2 SIGNIFICANT ACCOUNTING POLICIES

i Basis Of Preparation Of Financial Statements

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on the accrual basis of accounting. The financial statements complies with the Accounting Standards (AS) referred to in section 133 of the Companies Act 2013, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, to the extent applicable.

All assets and liabilities have been classified as current and non current as per the company's normal operating cycle and other criteria set out in the Schedule III to The Companies Act 2013.

ii Functional And Presentation Currency

These financial statements are presented in Indian Rupees (**Rs**) which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Rounding of amounts

All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III to the Companies Act 2013, unless otherwise stated.

iii Use Of Estimates And Judgments

The preparation of the company's 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

iv Property, Plant And Equipment And Intangible Assets

Property, Plant and Equipment are stated at cost net of recoverable taxes and include amounts added on revaluation, less accumulated depreciation and impairment losses, if any. All costs, including financing cost upto the date of commissioning and attributable to the property, plant and equipment are capitalized. The useful lives and residual values of property, plant and equipment are determined by the management at the time the same is acquired and reviewed periodically, including at each financial year end.

Assets which are not ready for their intended use are reflected under Capital Work-in- Progress.

Intangible Assets are stated at cost of acquisition less accumulated amortization.

An intangible asset is recognised if and only if

(a) it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and

(b) the cost of the asset can be measured reliably.

v Method Of Depreciation

Depreciation on Property, Plant and Equipment is provided in the manner prescribed in Schedule II to the Companies Act, 2013 using Straight Line Method (SLM).

vi Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss.

As there are no qualifying assets, all borrowing costs are charged to the statement of profit and loss.

vii Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

DEMATICTM

(ii) Measurement at the balance sheet date:

Foreign currency monetary items (other than derivative contracts) of the company, outstanding at the balance sheet date are restated at the rates on balance sheet date. Non-monetary items of the company are carried at historical cost.

(iii) Exchange difference

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of profit and Loss

viii Investments

Current Investments

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value.

Long Term Investments

A Long term investment is an investment other than current investment, are stated at cost of acquisition. Where there is a decline in the value, other than a temporary, the resultant reduction is charged to the statement of profit & loss .

ix Valuation Of Inventory

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any, except in case of by-products, which are valued at the net realizable value. Cost of inventories comprises of all costs of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

- i) Raw Material, Components, stores and spares: Raw Material, Components, stores and spares are valued at cost.
- ii) Work-in-Progress and Finished Goods: Work-in-Progress and Finished goods are valued at lower of cost or net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overhead based on normal operating capacity. Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale.

x Revenue Recognition

Revenue from sale of goods is recognized when the seller has transferred the ownership of goods or all significant risks and rewards of ownership to the buyer, seller does not retain any significant control of ownership of the goods transferred and there is no significant uncertainty regarding collection of the consideration.

Revenue from services is generally recognized as the service is performed and there is no significant uncertainty regarding collection of the income.

Interest Income:-

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

xi Taxes On Income

Tax expense comprises of current tax and deferred tax.

Current tax

Provision for Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates after taking into consideration benefits admissible under the provisions of Income Tax Act 1961.

Deferred tax

Deferred income tax reflects the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available. However where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is virtual certainty of realisation of such asset.

Deferred tax asset is reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

xii Employee benefits

(a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Post-Employment Benefit

Defined Benefit Plans

The Company's gratuity benefit scheme is a defined benefit plan. The provision for gratuity has been made, in respect of all employees taking in to account the number of completed years of service. The present value of the obligation under such defined benefit plan is determined using the Projected Unit Credit Method.

The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Defined Contribution Schemes

The Company's contributions to the Provident Fund and Employee's State Insurance Fund are charged to the Statement of Profit and Loss when the contributions to the respective funds are due.

xiii Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made as a contingent liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions and Contingent liabilities are reviewed at each balance sheet date.

Show cause notices are not considered as contingent liabilities unless converted into demand.

xiv Earning Per Share

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

xv Cash Flow Statements

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

xvi Operating Cycle

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current and non-current classification of assets and liabilities.

xvii Impairment of assets

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment.

If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

An impairment loss is charged to the statement of profit and loss when the asset is identified as impaired.

The logo for DEMARC, featuring the word "DEMARC" in a bold, sans-serif font. The letter "D" is stylized with a right-pointing arrow integrated into its left vertical stroke. A small "TM" trademark symbol is located at the top right of the letter "C".

Newmalayalam Steel Limited
(Formerly known as Newmalayalam Steel Private Limited)

CIN L27209KL2017PLC048762

Door No: 2/546/A And 2/546/B Mala, Pallipuram P O, Thrissur, Kerala, India, 680732

(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period		Figures as at the End of Previous Reporting Period	
3	Share Capital				
3.1	<u>Authorized Share Capital</u> 2,00,00,000 Equity Shares of Rs. 10/- each.	2,000.00		2,000.00	
		2,000.00		2,000.00	
3.2	<u>Issued , Subscribed & Fully Paid up Capital</u> 1,72,87,600 Equity Shares of Rs. 10/- each as on 31.03.2025 1,26,47,600 Equity Shares of Rs. 10/- each as on 31.03.2024	1,728.76		1,264.76	
		1,728.76		1,264.76	
3.3	Reconciliation Of Number of Shares	No. of Shares as on 31.03.2025	Face Value in Lakhs	No. of Shares as on 31.03.2024	Face Value in lakhs
	Shares outstanding at the beginning of the year	1,26,47,600.00	1,264.76	1,26,47,600.00	1,264.76
	Shares Issued during the year	46,40,000.00	464.00	-	-
	Shares outstanding at the end of the year	1,72,87,600.00	1,728.76	1,26,47,600.00	1,264.76
3.4	<u>Initial Public Offering and Listing</u> During the year ended 31st March 2025, the Company successfully completed its Initial Public Offering (IPO) by issuing 46,40,000 equity shares of ₹10 each at a premium of ₹80 per share, aggregating to ₹41.76 crores. The equity shares were listed on the NSE Emerge Platform on 27th December 2024. The IPO was undertaken in accordance with applicable SEBI regulations and Companies Act, 2013.				
3.5	<u>List of Shareholders holding more than 5% of Equity Shares of the company</u>				
	Name	No. of Shares as on 31.03.2025	% held	No. of Shares as on 31.03.2024	% held
	V D Varghese	62,91,300	36.39%	62,91,300	49.74%
	Divyakumar Jain	36,49,400	21.11%	36,49,400	28.85%
	Ankur Jain	21,29,500	12.32%	21,29,500	16.84%
3.6	<u>Details of Shares held by promoters</u>				
	Promoter Name	No. of Shares as on 31.03.2025	% of total shares	% of change during the year	
	V D Varghese	62,91,300.00	36.39%	0.00%	
	Divyakumar Jain	36,49,400.00	21.11%	0.00%	
	Ankur Jain	21,29,500.00	12.32%	0.00%	
	Mahendra Kumar Jain	5,32,400.00	3.08%	0.00%	
	Cyriac Varghese	10,000.00	0.06%	0.00%	
	Molly Varghese	10,000.00	0.06%	0.00%	
	Total	1,26,22,600.00			
	Promoter Name	No. of Shares as on 31.03.2024	% of total shares	% of change during the year	
	V D Varghese	62,91,300.00	49.74%	9848.61%	
	Divya Kumar Jain	36,49,400.00	28.85%	9865.86%	
	Ankur Jain	21,29,500.00	16.84%	9900.00%	
	Mahendra Kumar Jain	5,32,400.00	4.21%	9900.00%	
	Cyriac Varghese	10,000.00	0.08%	0.00%	
	Molly Varghese	10,000.00	0.08%	0.00%	
	Total	1,26,22,600.00			

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
3.7	<p><u>Terms / Rights attached to Equity Shares</u></p> <p>The company has only one class of equity share having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.</p> <p>In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.</p>		
4	Reserves & Surplus	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
4.1	<p><u>Securities Premium</u></p> <p>Opening balance</p> <p>Add : Addition during the year</p> <p>Less : IPO Expenses Amortisation (Refer note number 46)</p> <p>Closing balance</p>	<p>-</p> <p>3,712.00</p> <p>829.83</p> <p>2,882.17</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p>
4.2	<p><u>Surplus (Statement of Profit & Loss)</u></p> <p>Opening balance</p> <p>Add : Profit During the Year</p> <p>Less : Loss during the year / Appropriations (bonus issue)</p> <p>Closing balance</p> <p>Total</p>	<p>2,782.38</p> <p>440.98</p> <p>3,223.36</p> <p>6,105.53</p>	<p>2,355.52</p> <p>426.86</p> <p>2,782.38</p> <p>2,782.38</p>
5	Long Term Borrowings	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
5.1	<p><u>Term Loan (Secured)</u></p> <p>-From Banks</p> <p>SBI New term loan (Forex)</p> <p>SBI GECL Loan</p> <p>SBI GECL Loan 2</p> <p>HDFC Bank Car loan</p>	<p>71.22</p> <p>-</p> <p>43.01</p> <p>11.38</p>	<p>340.74</p> <p>0.45</p> <p>99.75</p> <p>22.02</p>
5.2	<p>Loans and advances from related parties</p> <p>Molly Varghese</p> <p>Suman Jain</p> <p>Total</p>	<p>175.00</p> <p>-</p> <p>300.61</p>	<p>-</p> <p>200.00</p> <p>100.00</p> <p>762.96</p>
5.3	Refer note number 34 for terms of security, repayment and other relevant details		
6	Deferred Tax Liability (Net)	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
6.1	<p><u>Deferred Tax Liability on Account of Depreciation</u></p> <p>Opening balance</p> <p>During the Year</p> <p>Closing balance (A)</p>	<p>141.73</p> <p>4.14</p> <p>145.87</p>	<p>131.36</p> <p>10.37</p> <p>141.73</p>
6.2	<p><u>Deferred Tax Asset on Account of MSMED Act</u></p> <p>Opening balance</p> <p>During the Year</p> <p>Closing balance (B)</p>	<p>- 0.87</p> <p>- 0.21</p> <p>-1.08</p>	<p>-</p> <p>0.87</p> <p>-0.87</p>
	Deferred Tax Liability (Net)	144.79	140.86

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
7	Short Term Borrowings	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
	(Secured/Unsecured)		
7.1	Loans repayable on demand		
	-From Banks	1,233.32	4,674.44
7.2	Current Maturity of Long Term Debt	297.22	473.76
7.3	Loans and advances from related parties		-
	Total	1,530.54	5,148.19
7.4	<p>* Hypothecation of stocks & receivables</p> <p>* EM over 19.33 Ares – Smt. Molly Varghese, Sy. No. 155/2, Perambra Village, Chalakudy Taluk,</p> <p>28.34 Ares – Newmalayalam Steel Pvt. Ltd., Sy. Nos. 388 series, Poyya Village, Kodungallur Taluk,</p> <p>56.33 Ares – Shri V D Varghese, Sy. No. 571/1, Poyya Village, Kodungallur Taluk</p> <p>* Second charge on 107.85 Ares – Shri V D Varghese, Sy. No. 262/3-30, Pallipuram Village, Kodungallur Taluk,</p> <p>87.61 Ares – Smt. Molly Varghese, Sy. No. 262/3-29, Pallipuram Village, Kodungallur Taluk.</p>		
7.5	Current Maturities of Long term borrowing	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
	SBI Term Loans - Forex	230.28	352.00
	SBI GECL Loan	-	55.50
	SBI GECL Loan 2	56.30	56.30
	HDFC Car loan	10.64	9.96
	Total	297.22	473.76
8	Trade Payables	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
8.1	Due to Micro and Small enterprises (refer note no.8.3 & 8.4)	5.52	4.38
8.2	Due to Others (refer note no. 8.4)	672.79	853.27
	Total	678.31	857.65
8.3	Based on the information available with the company, the balance due to Micro, Small Enterprises as defined under the MSMED Act 2006 is Rs. 5.52 Lakhs (Previous Year Rs. 4.38 Lakhs) and no interest has been paid or is payable under the terms of the MSMED Act 2006.		
8.4	Trade payable ageing schedule		
	Particulars	Not due	Unbilled amount
			Outstanding for following periods from due date of payment (31.03.2025)
			< 1 year 1-2 years 2-3 years > 3 Year
	MSME	-	-
	Others	-	-
	Disputed dues-MSME	-	-
	Disputed dues-Other	-	-
	Total	676.12	2.19

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
9	Other Current Liabilities	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
9.1	Audit Fee Payable	6.15	3.75
9.2	Advances Received from Customers	97.94	62.03
9.3	Electricity Charges Payable	15.98	10.89
9.4	Employee Benefits Payable	3.85	2.97
9.5	Salary Payable	26.75	21.43
9.6	Professional Charges Payable	2.18	2.45
9.7	Rent Payable	-	0.43
9.8	Interest Payable to Demac Industries Limited	1.46	-
9.9	Statutory dues payable	36.58	433.11
	Total	190.89	537.05
10	Short Term Provisions	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
10.1	Provision for Gratuity	24.10	-
10.2	Provision for Taxation	156.73	130.66
	Total	180.83	130.66
12	Other non current assets	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
12.1	Security Deposits	42.54	42.74
12.2	Other advance	1.66	1.66
12.3	KFC Loan refundable	0.05	0.05
	Total	44.25	44.45
13	Inventories	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
13.1	Raw Material	1,215.93	1,101.65
13.2	Finished Goods	887.97	3,318.85
13.3	Work in Progress	267.93	178.04
13.4	Stock-in-trade	25.39	43.31
13.5	Stores & Spares	131.40	75.10
13.6	Consumables	39.17	36.63
	Total	2,567.78	4,753.58
14	Trade Receivables	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
14.1	Outstanding for period less than 6 months		
	(i) Undisputed Trade Receivables considered good	2,336.02	2,013.41
		-	-
	Outstanding for period 6 months to 1 year		
	(i) Undisputed Trade Receivables considered good	193.44	62.93
		-	-

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
	Outstanding for period 1 year to 2 year	-	-
	(i) Undisputed Trade Receivables considered good	3.83	12.45
		-	-
	Outstanding for period 2year to 3 year	-	-
	(i) Undisputed Trade Receivables considered good	1.18	-
		-	-
	Outstanding for period more than 3 year	-	-
	(i) Undisputed Trade Receivables considered good	14.26	-
	(i) Disputed Trade Receivables not considered good	24.93	29.02
	Total	2,573.65	2,117.81
14.2 Trade Receivables are hypothicated with SBI against Credit Facilities			
15	Cash and Bank Balances	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
15.1	Balances with Banks		-
	- in current account	454.62	
15.2	Cash on hand	0.31	2.99
15.3	Others (specify nature)	-	-
	Fixed Deposit with Banks	1,543.60	1,266.36
	SBI Guarentee deposits	8.60	8.09
	SBI CSR fund (Refer Note Number 55C)	17.72	14.00
	Total	2,024.85	1,291.44
16	Short term Loan & Advances	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
16.1	Advance payment to creditors	377.91	131.01
16.2	Advance payment to employees	4.91	9.39
16.3	Advance Tax	105.00	135.00
16.4	TDS	43.69	23.13
16.5	TCS	-	0.01
	Total	531.52	298.54
17	Other Current Assets	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
17.1	Prepaid Expenses	4.53	4.75
17.2	Excess of Gratuity asset over	-	18.86
17.3	Interest accrued on FD	5.63	5.84
17.4	Group Insurance (LIC)	0.30	-
17.5	Balance with Government authorities	305.27	977.49
17.6	Interest Receivable from Demac Industries Limited	15.35	-
17.7	Expenses made for IPO Listing	-	25.75
	Total	331.08	1,032.69

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Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
18	Revenue from Operations		
18.1	Sale of Goods & services	30,416.43	30,016.06
	Total	30,416.43	30,016.06
	i.) Sale of Goods & services	30,612.64	30,215.32
	less Sales Return	10.91	18.62
	less Sales Discount	186.02	181.81
	Add price difference	0.72	1.17
	Total	30,416.43	30,016.06
19	Other Income		
19.1	Discount Received	255.08	38.47
19.2	Gain on Foreign Exchange Transaction	51.84	180.62
19.3	Interest Received	111.81	60.79
19.4	Income from excess provision of gratuity	-	18.86
19.5	Income From Excess Depreciation Claimed	1.40	-
	Total	420.12	298.74
20	Cost of Materials Consumed		
20.1	Opening Stock	1,101.65	2,551.90
20.2	Add : Purchases	26,011.99	28,785.30
20.3	Add : Direct Expenses	838.16	728.52
20.4	Less : Closing Stock	1,215.93	1,101.65
	Total	26,735.88	30,964.06
20A	Material Purchased Comprises of		
	Raw materials		
	Import	11,965.42	15,553.36
	Indigenous	13,916.89	13,128.19
	Consumables	129.69	103.75
	Total	26,011.99	28,785.30
20B	Direct expenses		
	Clearing & support charges	-	13.98
	Clearing & forwarding charges	170.96	103.45
	Coil unloading charges	0.64	3.38
	Transportation and Handling Charge	131.25	123.37
	Electricity Charges	158.40	154.94
	DGFT Expense	-	4.18
	Insurance on purchase	-	0.03
	Import Related Expense & Liner Charges	77.15	62.13
	Wages	299.76	263.07
	Total	838.16	728.52
21	Purchase of Stock in Trade		

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
21.1	Purchase of Stock in Trade	143.63	263.22
	Total	143.63	263.22

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
22	Changes in inventories of Finished Goods, Work in Progress		
22.1	<u>Inventories at the end of the year</u>		
	i) Finished goods	887.97	3,318.85
	ii) Work in progress	267.93	178.04
	iii) stock in trade	25.39	43.31
	Sub Total (A)	1,181.28	3,540.20
22.2	<u>Inventories at the beginning of the year</u>		
	i) Finished goods	3,318.85	960.59
	ii) Work in progress	178.04	-
	iii) stock in trade	43.31	42.91
	Sub Total (B)	3,540.20	1,003.50
	Net Increase / (Decrease) (B - A)	2,358.92	- 2,536.70
23	Employee Benefit Expenses		
23.1	Administration charge on Provident Fund	0.73	1.22
23.2	Directors Remuneration	108.00	242.16
23.3	Salary & Wages (Inculding bonus)	68.80	69.79
23.4	Staff welfare Expenses	33.08	28.89
23.5	Medical Expenses	0.82	0.48
23.6	Contribution to Recognized Funds	68.24	21.07
	Total	279.67	363.61
23.6	Contribution to Recognized Funds		
	i) Employees State Insurance	7.50	6.46
	ii) Provident fund	17.48	14.62
	iii) Gratuity	43.26	-
	Total	68.24	21.07
24	Finance Costs		
	Interest on Borrowings		
24.1	Interest on Cash Credit Account	99.59	73.80
24.2	Interest on vehicle loan	1.84	2.50
24.3	Interest on HDFC	48.42	7.80
24.4	HDFC WCDL Loan Interest	40.70	8.59
24.5	Interest on GECL Loan 2	11.61	15.50
24.6	Interest on SBI GECL loan A/c No 24732	1.20	10.24
24.7	Interest of SBI Solar Forex Loan	32.76	65.08
24.8	Interest for Unsecured Loans	26.84	28.36
24.9	Interest for Intercompany Loan	1.62	-
24.10	Interest charges on Buyers credit	67.15	81.72
24.11	Interest of SBI Solar Loan	-	2.60
24.12	Interest of SBI Solar Forex Loan	-	8.13
24.13	Financial & Related Service Charges	11.25	15.87

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
	Total	342.98	320.19

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
25	Depreciation and Amortization Expense		
	Depreciation	163.90	155.96
	Amortization	0.14	-
	Total	164.04	155.96
26	Other Expenses		
26.1	Advertisement Expense	13.85	27.37
26.2	Payment to Auditors	5.00	1.75
26.3	Annual Maintenance Charges	0.21	1.18
26.4	Bank Charges	1.35	5.91
26.5	Business Promotion Expense	0.50	17.70
26.6	Cleaning Expense	4.27	2.02
26.7	Cost Audit Fee	0.69	0.60
26.8	Commission on Purchase	2.67	12.00
26.9	Contribution towards CSR	14.00	-
26.10	Donation	2.57	2.06
26.11	Electricity Charge	0.11	0.08
26.12	Fees & Charges	11.06	6.97
26.13	Factory Maintenance Expenses	1.64	-
26.14	ROC Filing Charges	1.03	0.09
26.15	GST Expenses	0.50	0.65
26.16	Incentive on Sales	2.34	1.98
26.17	Interest on Income Tax FY 2022-23	-	3.22
26.18	Insurance	7.01	6.82
26.19	Late fee -customs	0.24	2.99
26.20	Internal Audit Fee	0.40	0.80
26.21	Late Fee & Interest on TDS/TCS	0.30	0.35
26.22	Late Fee-GST	0.44	-
26.23	Late Fee ESI & PF	-	0.10
26.24	Licence Fees	2.48	2.79
26.25	Office Expense	3.23	1.10
26.26	Fuel Charges	7.74	9.94
26.27	Pollution Expense	1.02	0.13
26.28	Postage and Courier Charge	1.15	0.58
26.29	Printing & Stationery	0.88	0.64
26.30	Professional charge	8.58	-
26.31	Professional Fees	3.46	8.15
26.32	Quantity Discount Allowed	9.57	13.92
26.33	Repairs and Maintenance	72.61	57.55
26.34	Rent	6.18	6.17
26.35	Security Guard Charges	9.45	9.14
26.36	Sitting Fee to Independent Directors	1.50	-
26.37	Transportation	1.47	0.79
26.38	Travelling Expense	3.35	3.65

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(₹ in Lakhs)

Note No.	Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
26.39	Water Charge	6.96	8.27
	Total	209.79	217.46

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27 Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Claims against the Company not acknowledged as debts (Refer note 1 & 2 below)		
Income Tax	300.77	-
Goods & Service Tax	4.75	4.75

Note 1: Details of Disputed Income Tax demands under appeal

(₹ in Lakhs)

Authority before which the matter is pending	Assessment Year	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
CIT (Appeal)	2022-2023	188.06	-
CIT (Appeal)	2023-2024	112.72	-
		300.77	-

Note 2 : Details of Disputed Goods & Tax demands under appeal

(₹ in Lakhs)

Authority before which the matter is pending	Financial Year	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
High Court	2021-2022	4.75	4.75
		4.75	4.75

28 Details of Suits Filed by the Company as on 31.03.2025

The Company has initiated legal proceedings for the recovery of outstanding dues and against financial charges disputed. The status of the suits filed and pending as on the reporting date is as follows:

Party Name	Nature of Dispute	Amount Involved (₹ in Lakhs)	Remarks
Krishna Pipes and Sheets	Recovery of trade receivable	18.14	Suit filed for recovery of dues. Pending before appropriate legal forum.
Benzer Steels Pvt. Ltd.	Recovery of trade receivable	6.79	Suit filed for recovery of dues. Pending before appropriate legal forum.
Kerala Financial Corporat	Dispute over pre-closure charges on term loan	11.00	As per interim order of Hon'ble High Court of Kerala, amount deposited as security.

Management believes that the outcome of the above matters will not have any material adverse effect on the Company's financial position.

29 Title deeds of Immovable Property not held in name of the Company

The company does not own the land on which its Buildings, Plant & machinery and Other Assets are situated. The land is leased from Mr.Vazhappily Davis Varghese ,Managing Director of the company and Mrs Molly Varghese ,the Director of company as per the lease agreement dated 2nd June 2017 for a period of 15 years.

The title deeds for the land are held by V D Varghese and Molly Varghese. All buildings and related assets, including plant and machinery situated on the leased land, are owned by the company and disclosed under "Property, Plant, and Equipment (PPE)" in the financial statements.

30 Revaluation of Property, Plant, and Equipment (PPE)

The company has not carried out any revaluation of its Property, Plant, and Equipment during the period.

31 Relationship with Struck off Companies:

The company does not have any transactions or balances with companies that have been struck off by the Registrar of Companies during the period.

32 The company does not hold any benami property, and no proceedings have been initiated or are pending against the company under the 'Prohibition of Benami Property Transactions Act, 1988'.

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33 Ageing Schedule of CWIP under development (₹ in Lakhs)

CWIP	Amount in CWIP for a period of as on 01.04.2024 to 31.03.2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	776.79	23.82	29.71	-	830.32
Projects temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for a period of as on 01.04.2023 to 31.03.2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	23.82	29.71	-	-	53.53
Projects temporarily suspended	-	-	-	-	-

34 Long Term Borrowings - terms of security, repayment and other relevant details

Facility	Primary Security	Collateral Security	Guarantors	Repayment Terms
FCNB Term Loan (SBI clubbed loan) 1. Solar term loan 2. TL1, TL2, TL3	1. Hypothecation of Plant & Machinery & Equitable Mortgage over List - 2 properties	Nil	As per List 3	Monthly EMIs as per original term schedule
	2. Hypothecation of solar panel and related equipments	Equitable Mortgage over List - 1 properties	As per List 4	Monthly EMIs as per original term schedule
GECL 1.0 - SBI	Hypothecation charge over entire Current Assets (both present & future) mainly Stocks and Receivables.	1) Equitable Mortgage over List- 1 properties 2) Cash Collateral of Rs. 0.25 Cr	Nil	Monthly EMIs ending Aug 2024
GECL 1.0 Extension - SBI	Hypothecation charge over entire Current Assets (both present & future) mainly Stocks and Receivables.	1) Equitable Mortgage over List- 1 properties 2) Cash Collateral of Rs. 0.25 Cr	Nil	Monthly EMIs till Dec 2026
Auto Loan – HDFC Bank	Hypothecation of vehicle	Nil	Nil	60 monthly EMIs of ₹98,300 from Apr 2022 to Mar 2027

List 1

- 1) 19.33 Ares of land in the name of Smt Molly Varghese W/o Varghese V D, in SY no 155/2 at Perambra Village in Chalakudy Taluk
- 2) 28.34 Ares of land in the name of M/s Newmalayalam Steel P Ltd in Sy no 388/1-2p, 388/4-3p, 388/5-3p, 388/3-3p, 388/3-2p, 388/4-2p, 388/5-2p, situated at Poyya Village, Kodungallur Taluk
- 3) 56.33 Ares of land in the name of Shri Varghese V D S/o Davis V V in Sy No 571/1 situated at Poyya Village, Kodungalloor Taluk

List 2

- 1) 107.85 Ares – Shri V D Varghese, Sy. No. 262/3-30, Pallipuram Village, Kodungallur Taluk
- 2) 87.61 Ares – Smt. Molly Varghese, Sy. No. 262/3-29, Pallipuram Village, Kodungallur Taluk

List 3

V D Varghese, Cyriac Varghese, Molly Varghese, Mahendra Kumar Jain, Divya Kumar Jain, Ankur Jain

List 4

V D Varghese, Cyriac Varghese, Molly Varghese, Mahendra Kumar Jain, Divya Kumar Jain, Suman Jain

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- 35 The Company has borrowings from State Bank of India & HDFC Ltd on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are tabled below.

(₹ in Lakhs)

Period	Name of Bank	Particulars Details Provided	Amount as per Accounts	Amount reported with Bank	Difference
Quarter 1	State Bank of India & HDFC	Finished goods WIP and Rawmaterial including Stock in transit	1,982.44	2,068.69	86.25
Quarter 1	State Bank of India & HDFC	Debtors	1,650.52	1,651.52	1.00
Quarter 2	State Bank of India & HDFC	Finished goods WIP and Rawmaterial including Stock in transit	4,847.48	5,155.02	307.54
Quarter 2	State Bank of India & HDFC	Debtors	1,602.03	1,602.03	-
Quarter 3	State Bank of India & HDFC	Finished goods WIP and Rawmaterial including Stock in transit	4,747.64	6,269.09	1,521.45
Quarter 3	State Bank of India & HDFC	Debtors	1,760.82	1,762.29	1.47
Quarter 4	State Bank of India & HDFC	Finished goods WIP and Rawmaterial including Stock in transit	2,397.21	2,397.21	-
Quarter 4	State Bank of India & HDFC	Debtors	2,573.65	2,573.65	-

Remarks

The difference between stock value as per books and the stock statement submitted to the bank is due to the inclusion of supplier advances under "stock in transit" in the bank statement. These advances represent materials that have been ordered and are in the process of being delivered. As per accounting standards, such advances are recorded under 'Advances to Suppliers' in the books until physical receipt of goods. However, for the purpose of bank reporting, they are included under "stock in transit" to reflect the committed inventory in transit, leading to a temporary variance between the two figures.

Minor differences in Debtors may arise due to account reconciliations, credit notes, or corrections that occur after the date of submission of the bank statement.

- 36 Significant Accounting Ratio

Ratio	Numerator	Denominator	As at 31 st March, 2025	As at 31 st March, 2024	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	3.11	1.42	119.10	The significant increase in the current ratio is primarily attributable to an increase in current assets, specifically due to funds held in the IPO bank account. This increase in liquid assets has improved the company's short-term liquidity position as of the balance sheet date.

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Debt-equity ratio	Total Debt	Shareholder's Equity	0.26	1.87	(86.20)	The substantial decline in the debt-equity ratio is due to a significant increase in shareholder's equity during the year due to the IPO.
Debt service coverage ratio	Earnings available for debt service	Debt Service	1.13	1.26	(10.39)	
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.06	0.11	(48.83)	The decline in the ROE ratio is primarily due to a significant increase in average shareholder's equity during the year, following fresh equity through IPO. While net profits have remained stable, the proportionate rise in equity has diluted the return on equity percentage.
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	8.31	7.42	11.98	The improvement in the inventory turnover ratio indicates enhanced sales performance and more efficient inventory management during the year. This suggests the company has been able to convert its inventory into sales more frequently, reflecting strong demand and streamlined supply chain operations.

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Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	12.97	18.85	(31.21)	The decline in the trade receivables turnover ratio indicates that receivables are being collected at a slower pace compared to the previous year. This is due to customers requiring longer credit periods, leading to higher outstanding receivables.
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	33.87	21.85	55.01	The increase in the trade payables turnover ratio is primarily due to a reduction in average trade payables. The Company is settling its obligations more quickly than in the previous year.
Net capital turnover ratio	Net Sales	Average Working Capital	5.58	10.75	(48.07)	The decline in the net capital turnover ratio is due to a significant increase in average working capital due to IPO.
Net profit ratio	Net Profit	Net Sales	0.01	0.01	2.10	-
Return on capital employed	Earning before interest and taxes	Capital Employed	0.11	0.18	- 36.62	The decline in ROCE from 18.00% to 11.61%, and further negative at (35.49)%, is mainly due to a significant increase in Capital Employed resulting from the recent Initial Public Offering (IPO). While EBIT remained relatively stable, the substantial rise in Capital Employed diluted the ratio, causing ROCE to decrease.

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Return on investment	Profit After Tax	Investment Cost	0.06	0.11	- 48.83	The decrease in ROI from 11.00% to 5.63% is mainly due to a significant increase in Investment Cost resulting from the recent IPO. Although Profit After Tax remained relatively stable, the larger investment base from the IPO diluted the ROI percentage.
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37 Details of Active Charges with Registrar of Companies

(₹ in Lakhs)

Chargeholder Name	Nature of Charge	Assets Secured by the Charge	Amount of Charge	Status
StateBank of India	Modification	Hypothecation of current asset, movable and immovable property, personal guarantee of directors	6,169.30	Active
HDFC Bank Ltd	Charge creation	Hypothecation of 7.5 Crore FD made by Company, Stock intrade & Debtors	3,000.00	Active
HDFC Bank Ltd	Charge creation	Benz Car	50.00	Active

38 Disclosure regarding undisclosed income

There are no undisclosed income or credits identified or discovered during the period.

39 Disclosure regarding details of crypto currency or virtual currency:

The company has not dealt in, held, or transacted any cryptocurrency or virtual currency during the period.

40 No scheme of Arrangements has been approved by competent authority in terms of sections 230 to 237 of the Companies Act, 2013 in respect of the Company.

41 The company has not provided nor taken any loan or advance to/from any other person or entity or invested any funds or provided any guarantee or security with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

42 Related Party Disclosure

Disclosure of list of related parties identified by the management.

Category	Name	Relationship / Designation
KMP	Vazhappily Davis Varghese	Managing Director
KMP	Divyakumar Jain	Executive Director
KMP	Mahendra Kumar Jain	Executive Director
KMP	Molly Varghese	Whole-time Director
KMP	Cyriac Varghese	Whole-time Director
KMP	Shravan Kannan Dev	Company Secretary
KMP	Rahul Jain	Chief Financial Officer
Relative of KMP	Molly Varghese	Spouse of Vazhappily Davis Varghese
Relative of KMP	Mary Davis	Mother of Vazhappily Davis Varghese
Relative of KMP	V D Joy	Brother of Vazhappily Davis Varghese
Relative of KMP	David Varghese	Son of Vazhappily Davis Varghese
Relative of KMP	Cyriac Varghese	Son of Vazhappily Davis Varghese
Relative of KMP	Angel Varghese	Daughter of Vazhappily Davis Varghese
Relative of KMP	Abraham Cyriac	Spouse's Brother of Vazhappily Davis Varghese

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Relative of KMP	Celin	Spouse's sister of Vazhappily Davis Varghese
Relative of KMP	Suman Jain	Spouse of Mahendra Kumar Jain
Relative of KMP	Mohan Lal Kala	Brother of Mahendra Kumar Jain
Relative of KMP	Divyakumar Jain	Son of Mahendra Kumar Jain
Relative of KMP	Ankur Jain	Son of Mahendra Kumar Jain
Relative of KMP	Neha Patni	Daughter of Mahendra Kumar Jain
Relative of KMP	Sita Jain	Spouse's Mother of Mahendra Kumar Jain
Relative of KMP	Vinod Kumar Jain	Spouse's Brother of Mahendra Kumar Jain
Relative of KMP	Sashi Jain	Spouse's Brother of Mahendra Kumar Jain
Relative of KMP	Ravi Santkumar Jain	Spouse's Brother of Mahendra Kumar Jain
Relative of KMP	Vazhappily Davis Varghese	Spouse of Molly Varghese
Relative of KMP	Abraham Cyriac	Brother of Molly Varghese
Relative of KMP	Celin	Sister of Molly Varghese
Relative of KMP	David Varghese	Son of Molly Varghese
Relative of KMP	Cyriac Varghese	Son of Molly Varghese
Relative of KMP	Angel Varghese	Daughter of Molly Varghese
Relative of KMP	Mary Davis	Spouse's Mother of Molly Varghese
Relative of KMP	V D Joy	Spouse's Brother of Molly Varghese
Relative of KMP	Irene David	Spouse of Cyriac Varghese
Relative of KMP	Davis Paul C	Spouse's Father of Cyriac Varghese
Relative of KMP	Roza Davis	Spouse's Mother of Cyriac Varghese
Relative of KMP	Zain Cyriac	Son of Cyriac Varghese
Relative of KMP	Vazhappily Davis Varghese	Father of Cyriac Varghese
Relative of KMP	Molly Varghese	Mother of Cyriac Varghese
Relative of KMP	David Varghese	Brother of Cyriac Varghese
Relative of KMP	Celin	Sister of Cyriac Varghese
Relative of KMP	Anuja Jain	Spouse of Divyakumar Jain
Relative of KMP	Mahendra Kumar Jain	Father of Divyakumar Jain
Relative of KMP	Suman Jain	Mother of Divyakumar Jain
Relative of KMP	Ankur Jain	Brother of Divyakumar Jain
Relative of KMP	Neha Patni	Sister of Divyakumar Jain
Relative of KMP	Jambu Kumar Jain	Father-in-law of Divyakumar Jain
Relative of KMP	Rekha Jain	Mother-in-law of Divyakumar Jain
Relative of KMP	Aditi Jain	Sister-in-law of Divyakumar Jain
Entity under KMP/Relative Influence	Jaihind Steel Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Tubes Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Demac Industries Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Aluminium Traders	Promoter Group Entity
Entity under KMP/Relative Influence	Vyttila Steel Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Invaccs Software Technologies Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Metal Craft Pte Ltd	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Steel Tubes Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Starshine Aluminium Extrusions Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Manufacturers LLP	Promoter Group Entity
Entity under KMP/Relative Influence	Young Presidents Organization (Kerala Chapter)	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind International	Promoter Group Entity
Entity under KMP/Relative Influence	Greetamax Estates Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Pioneer Mutimax Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Nutech Multimax Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	SKP Infarealty Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Marble Arch Properties Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	S K P Merchants Private Limited	Promoter Group Entity

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Entity under KMP/Relative Influence	NNP Ferro Alloys Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	SKP Realtors LLP	Promoter Group Entity
Entity under KMP/Relative Influence	Eastern Plywood and Hardware	Promoter Group Entity
Entity under KMP/Relative Influence	Eastern Aluminium and Steel Udyog	Promoter Group Entity
Entity under KMP/Relative Influence	Prime Metals	Promoter Group Entity
Entity under KMP/Relative Influence	D. S. Sons & D S Enterprises	Promoter Group Entity
Entity under KMP/Relative Influence	Navin Trading Company	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Metals Hypermart Private Limited	Promoter Group Entity
Entity under KMP/Relative Influence	Ganpati Developers	Promoter Group Entity
Entity under KMP/Relative Influence	Varun Kumar Jain and Co.	Promoter Group Entity
Entity under KMP/Relative Influence	M/s Sita Jain	Promoter Group Entity
Entity under KMP/Relative Influence	M/s Shashi Jain	Promoter Group Entity
Entity under KMP/Relative Influence	Jaihind Foundation	Promoter Group Entity
Entity under KMP/Relative Influence	Sonha India International Private Limited	Promoter Group Entity

The company has entered into transactions with the following related parties

(₹ in Lakhs)

Name of Related Party	Nature of Transaction	Relation	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Vazhappily Davis Varghese	Salary Paid	Managing Director	24.00	54.00
Mahendra Kumar Jain	Salary Paid	Chairman & Executive Director	24.00	54.00
Divya Kumar Jain	Salary Paid	Executive Director	24.00	54.00
Cyriac Varghese	Salary Paid	Whole-Time Director	12.00	19.72
Molly varghese	Salary Paid	Whole-Time Director	24.00	60.44
Shravan Kannan Dev	Salary Paid	Company Secretary	2.80	2.40
Rahul Jain	Salary Paid	Chief Financial Officer	2.93	
Vazhappily Davis Varghese	Interest on Loan Paid	Managing Director	0.97	3.07
Cyriac Varghese	Interest on Loan Paid	Whole-Time Director	0.47	1.76
Molly Varghese	Interest on Loan Paid	Whole-Time Director	25.41	23.52
Cyriac Varghese	Bonus Paid	Whole-Time Director	1.00	1.75
Molly Varghese	Bonus Paid	Whole-Time Director	-	0.64
Demac Industries Limited	Interest Recceived	Group Company	17.05	12.34
Demac Industries Limited	Interest Paid	Group Company	1.62	-
Demac Industries Limited	Loan Given	Group Company	370.00	455.00
Demac Industries Limited	Loan Repayment Received	Group Company	370.00	455.00
Demac Industries Limited	Loan Received	Group Company	220.00	-
Demac Industries Limited	Loan Repayment	Group Company	220.00	-
Molly Varghese	Loan Received	Whole-Time Director	104.00	

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Molly Varghese	Loan Repayment	Whole-Time Director	129.00	-
Suman Jain	Loan Repayment	Non Executive Director	100.00	-
Vazhappily Davis Varghese	Rent paid	Managing Director	0.60	0.60
Molly Varghese	Rent paid	Whole-Time Director	0.60	0.60
Ankur Jain	Commission paid	Shareholder	-	12.00
Jaihind Steel Private Limited	Purchase of Raw Materials	Group Company	8,133.74	11,248.60
Jaihind Tubes Private Limited	Purchase of Raw Materials	Group Company	370.11	275.58
Jaihind Steel Private Limited	Sales	Group Company	8,712.40	10,105.40
Jaihind Tubes Private Limited	Sales	Group Company	17.54	29.38
Demac Industries Limited	Sales	Group Company	0.06	-
Jaihind Metals Hypermart Private Limited	Sales	Group Company	18.59	-
Jaihind Steel Private Limited	Discount Allowed	Group Company	9.54	13.88
Jaihind Steel Private Limited	Discount Received	Group Company	-	1.23
Jaihind Foundation	Contribution towards CSR	Promoter Group Entity	14.00	-

Closing Balances of Related Parties

(₹ in Lakhs)

Name of Related Party	Nature of Account	Relation	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Molly Varghese	Unsecured loan from Director	Whole-Time Director	175.00	200.00
Suman jain	Unsecured loan from Director	Non Executive Director	Nil	100.00
Jaihind Steel Private Limited	Trade Payable	Group Company	185.70	847.92
Jaihind Steel Private Limited	Trade Receivable	Group Company	583.90	821.49
Jaihind Tubes Private Limited	Trade Payable	Group Company	0.18	Nil

Only related party accounts with outstanding balances as at the reporting date have been disclosed above. Accounts with nil balances have not been presented.

43 Details of consumption of items

(₹ in Lakhs)

Raw Materials	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Imported	11,965.42	17,018.60
Indigenous	13,802.62	13,235.55
Total	25,768.04	30,254.15

- 43 No employee is in receipt of remuneration exceeding in aggregate of Rs. 1,02,00,000/- if employed throughout the year or Rs. 8,50,000/- per month if employed for a part of the year.

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45 Utilisation of IPO Proceeds

The gross proceeds from the IPO amounted to ₹4,176.00 lakhs. The utilisation of these proceeds, as at 31st March 2025, is as follows:

Nature of Utilisation	Allocation as per RHP for FY 2024-2025 (₹ in Lakhs)	Allocation as per RHP for FY 2025-2026 (₹ in Lakhs)	Total Allocation (₹ in Lakhs)	Actual Utilisation (₹ in Lakhs)
Advertising, Marketing & Brand Building	350.00	155.55	505.55	349.08
Civil Construction	255.95	-	255.95	197.05
IPO Expenses	437.05	-	437.05	428.30
IT/Technological Upgradation of Manufacturing	287.62	-	287.62	287.62
Solar Plant	159.33	75.00	234.33	159.33
Working Capital	1,000.00	420.00	1,420.00	1,400.00
General Corporate Purposes	900.00	135.50	1,035.50	900.00
Total	3,389.95	786.05	4,176.00	3,721.38

We note that an additional amount of ₹400.00 lakhs has been utilised towards Working Capital, over and above the originally allocated amount. This utilisation was approved by the Board of Directors through a resolution passed on January 25, 2025.

46 Summary of IPO Expenses Adjusted Against Securities Premium

In accordance with Section 52(2)(c) of the Companies Act, 2013, IPO-related expenses amounting to ₹829.83 lakhs were adjusted against the securities premium account. A classified summary is as follows:

Particulars	Amount (₹ in Lakhs)
All Professional Charges	783.68
Legal and Compliance Costs	12.02
Other IPO-related Expenses	25.51
Registrar and Transfer Agent Fees	1.97
Regulatory Fees and Listing Charges	6.64
Total	829.83

47 Calculation of Earning Per Share

Particulars		As at 31st March, 2025	As at 31st March, 2024
a.	Face Value Per Share (In Rs.)	10.00	10.00
b.	Net Profit/(Loss) after tax (In Rs.)	4,40,98,343.83	4,26,86,163.50
c.	Weighted average number of Equity Share	13807600	12647600
d.	Basic and Diluted Earnings per share	3.19	3.38

Net Profit after tax for the year has been used as the numerator and number of shares has been used as denominator for calculating the basic and diluted earnings per shares.

- 48** The Directors have waived off their right to claim the sitting fees for the all Meeting attended by them except in the case of independent directors
- 49** There are no indications of impairment on any individual cash generating assets or on cash generating units in the opinion of management and therefore no test of impairment is carried out.
- 50** All the known income and expenditure and assets and liabilities have been taken into account and that all the expenditure debited to the profit and loss account have been exclusively incurred for the purpose of the company's business.
- 51** Balance in the accounts of debtors, creditors and advances are subject to confirmation/ reconciliation/adjustment from the respective parties.
- 52** Following are the details of payments to Auditors; (₹ in Lakhs)

Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Statutory Audit Fee	4.00	1.50
Tax Audit Fee	1.00	0.25
Total	5.00	1.75

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53 Employee Benefits :

The Company has established an Employees' Gratuity Fund under the name of Newmalayalam Steel Private Limited Employees Group Gratuity Fund Trust effective from 01/04/2022. The trust has been approved under Part C of the Fourth Schedule to the Income Tax Act, 1961, on 28/06/2023.

The scheme provides a lump sum payment to eligible employees at retirement, death, incapacitation, or termination of employment, based on the last drawn salary and completed years of service, subject to a vesting period of 5 years.

As per the actuarial valuation conducted in accordance with AS 15 (Revised) as at 31st March 2025, the following disclosures are made:

a) Reconciliation of Defined Benefit Obligation and Plan Assets (₹ in Lakhs)

Particulars	Amount
Present Value of Defined Benefit Obligation (DBO)	89.76
Fair Value of Plan Assets	67.80
Net (Liability) / Asset Recognised in Balance Sheet	(21.96)

b) Expense Recognised in Profit and Loss Account

Particulars	Amount
Current Service Cost	13.31
Interest Cost	3.09
Expected Return on Plan Assets	(4.61)
Actuarial (Gain)/Loss recognised	31.18
Net Expense recognised in P&L	42.96

c) Reconciliation of Opening and Closing Balances of DBO and Plan Assets

Defined Benefit Obligation:

Particulars	Amount
• Opening Balance (01.04.2024)	43.47
• Current Service Cost	13.31
• Interest Cost	3.09
• Actuarial Losses	31.51
• Benefits Paid	(1.61)
• Closing Balance (31.03.2025)	89.76

Plan Assets:

Particulars	Amount
• Opening Balance (01.04.2024)	64.38
• Employer Contribution	0.09
• Expected Return	4.61
• Actuarial Gains	0.33
• Benefits Paid	(1.61)
• Closing Balance (31.03.2025)	67.80

d) Assumptions Used

Particulars	
Discount Rate	6.87%
Expected Return on Plan Assets	7.25%
Salary Escalation Rate	7.00%
Attrition Rate	10.00%
Mortality Table Used	Indian Assured Lives Mortality (2012-14) Ultimate
Retirement Age	60 Years

54 Previous Year's Figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

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55 Corporate Social Responsibility

The Company is governed by the provisions of Section 135 of the Companies Act, 2013. For the financial year 2023–24, the Company's net profit was above ₹5 crores, hence, CSR provisions are applicable for the Financial Year 2024-25. The details are as follows:

A. Summary of CSR obligations and spending (₹ in Lakhs)

Particulars	Amount
Unspent amount carried forward from previous years	31.80
Amount required to be spent or set aside by the company during the FY 2024–2025.	15.20
Amount spent during the year (from FY 2022-2023 years' obligations)	14.00
Unspent amount carried forward to next year	33.00

In accordance with Section 135 of the Companies Act, 2013, the amount required to be spent towards Corporate Social Responsibility (CSR) for the financial year 2024–25 has been computed as under:

(₹ in Lakhs)

Financial Year	Net Profit
2021-2022	904.47
2022-2023	805.07
2023-2024	567.02
Total	2,276.56
Average Net Profit	758.85
CSR Obligation @ 2%	15.18
Rounded CSR Obligation	15.20

B. Background of CSR Expenditure During the Year

In earlier years, the Company decided to allocate CSR funds for a drinking water facility project proposed by Poyya Grama Panchayath, with planned spending of accumulated obligations from FY 2022–23, FY 2023–24, and FY 2024–25. The Company had accordingly deposited the following amounts in its CSR unspent account with SBI:

Financial Year	Date of Deposit	Account Number	Amount in Lakhs
FY 2022-2023	29-04-2023	41871051866	14.00
FY 2023-2024	30-04-2024	41871051866	17.80
Total			31.80

Subsequently, the Panchayath received government funding for the same project, and the Company dropped its original plan. Therefore:

- ₹14.00 Lakhs (FY 2022–23 obligation) was utilized during FY 2024–25 on alternate eligible CSR activity as a contribution to Jaihind Foundation (CSR Reg No. CSR 00025823).
- The unspent CSR amount of ₹17.80 lakhs, pertaining to the FY 2023–24 obligation, has been earmarked for a new housing project aimed at supporting the local community residing in and around the company's operational area in Poyya, Thrissur. The project falls under the 'rural development' and 'measures for reducing inequalities faced by socially and economically backward groups' categories of Schedule VII. The initiative was duly approved by the CSR Committee at its meeting held on 19th March 2025, and later by the Board at the meeting held on the same day. The amount continues to be maintained in the CSR Unspent Account and is scheduled to be utilized in the upcoming financial year.
- Further, an additional amount of ₹15.20 lakhs relating to the FY 2024–25 proposed contribution for the above mentioned housing project was deposited into the CSR Unspent Account on 23-05-2025. There was a delay in depositing the said amount in accordance with the timeline prescribed under Section 135(6) of the Companies Act, 2013., which was subsequently addressed on May 23rd 2025.

C. Reconciliation of CSR Unspent Account Balance

During the year, the following banking transactions occurred in the CSR Unspent Account (A/c No. 41871051866 maintained with SBI): Bank charges of ₹568.67 were debited by the bank as service charges.

An incorrect charge of ₹7,139.00 was debited in error but was reversed by the bank on 08/05/2025.

A cheque of ₹14.00 lakhs dated 27/03/2025, issued towards alternate eligible CSR activities (FY 2022–23 obligation), was realised only on 16/05/2025 due to processing delays at the beneficiary's end.

The Company has verified that the final balance in the CSR Unspent Account is accurate and reflects all these movements appropriately.

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Particulars	Amount
Opening Balance as on 01-04-2024	14.00
Add: Deposit for FY 2023–24 obligation (30-04-2024)	17.80
Less: Bank Charges	0.01
Less: Incorrect Charge	0.07
Balance as per Bank Statement as on 31.03.2025	31.72
Less: Cheque dated 27/03/2025 realised on 16-05-2025 (FY 2022–23 CSR Utilisation)	14.00
Book Balance of CSR account as on 31.03.2025	17.72

Note: The additional ₹15.20 lakhs for the housing project (FY 2024–25 proposed contribution) was deposited on 23-05-2025 and will be reflected in the books for FY 2025–26.

- 56 The company has obtained the declaration from Directors stating therein that the amount so advanced to the company has not been given out of the funds borrowed/acquired from others by them.

57 Import & Export

a) Income from Export sales

Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Sale of Goods	Nil	Nil
Total	Nil	Nil

b) Details of Import Purchases

(₹ in Lakhs)

Particulars	Figures as at the End of Current Reporting Period	Figures as at the End of Previous Reporting Period
Purchase of Goods	11,965.42	15,553.36
Purchase of Assets	Nil	Nil
Total	11,965.42	15,553.36

58 Whistleblower Complaints

The company has not received any whistleblower complaints during the period. No frauds had been noticed by or reported to the Company.

59 Wilful Defaulter

The company is not declared as a wilful defaulter by any Bank or Financial Institution or other lenders.

- 60 The company earned commission income of ₹375 lakh as part of its operating revenue. This commission income forms part of the sale of goods and services (Note 18), which amounts to ₹30,612.64 lakh for the period.

61 Compliance with number of layers of Companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017, and there are no companies beyond specified layers.

62 Utilisation of borrowings availed from banks and financial institution

The borrowings availed by the Company from banks and financial institutions during the year have been applied solely for the purposes for which they were sanctioned, in accordance with the terms and conditions of the respective loan agreements.

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Note No. 11 : Property, Plant & Equipments

(₹ in Lakhs)

Particulars		Gross Block				Accumulated Depreciation				Net Block	
		As on 01.04.2024	Addition	Deduction	As on 31.03.2025	As on 01.04.2024	Depreciatin for the year	Deduction	As on 31.05.2025	As on 31.03.2025	As on 31.03.2024
11.1	Tangible Assets										
a	Land and Building	920.54	2.11		922.65	140.00	28.42		168.42	754.24	780.54
b	Computer	99.32	1.80		101.12	19.37	7.17		26.54	74.58	79.95
c	Office Equipments	9.70	0.05		9.75	8.25	0.29		8.54	1.21	1.46
d	Furniture & Fixtures	2.08	-		2.08	1.19	0.20		1.39	0.69	0.88
e	Motor Vehicles	87.94	-		87.94	35.00	10.42		45.42	42.52	52.94
f	Plant & Machineries	1,766.60	83.87		1,850.46	649.93	117.40		767.33	1,083.13	1,116.67
	Total	2,886.18	87.83	-	2,974.01	853.74	163.90	-	1,017.63	1,956.38	2,032.45
	<i>(Previous Year)</i>	2,850.74	39.36	3.92	2,886.18	697.78	155.96	-	853.74	2,032.44	2,152.96
11.2	Intangible Asset										
a	Computer Software	0.54	0.55	-	1.09	0.51	0.14	-	0.66	0.43	0.03
	Total	0.54	0.55	-	1.09	0.51	0.14	-	0.66	0.43	0.03
	<i>(Previous Year)</i>	0.54	-	-	0.54	0.51	-	-	0.51	0.03	0.03
11.3	Canital Work in Progress										
a	Building	53.53	191.91	-	245.44	-	-	-	-	245.44	53.53
b	Solar plant 2	-	141.13		141.13					141.13	
c	Technical Upgradation of Plant & Machinery	-	443.75		443.75					443.75	
	Total	53.53	776.79	-	830.32	-	-	-	-	830.32	53.53
	<i>(Previous Year)</i>	29.71	23.82		53.53	-	-	-	-	53.53	29.71
	Total	2,940.25	865.17		3,805.42	854.25	164.04	-	1,018.29	2,787.13	2,086.00
	<i>(Previous Year)</i>	2,880.99	63.19	3.92	2,940.26	698.29	155.96	-	854.25	2,086.00	2,182.69