Deloitte
Haskins & Sells LLP

Chartered Accountants
Commerz III, 30th & 31st floors
International Business Park
Oberoi Garden City
Off. Western Express Highway
Goregaon (East)
Mumbai-400 063
Maharashtra, India

INDEPENDENT AUDITOR'S REPORT

To The Members of Neotrex Steel Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Neotrex Steel Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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 Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' 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 the 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 our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS 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 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 and Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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Chartered Accountant
Mumbai

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 financial controls 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.

Reporting on comparatives in case the previous year was audited by the predecessor auditor

The financial statements of the Company for the year ended March 31, 2025, were audited by another auditor who expressed an unmodified opinion on those statements on April 28, 2025.

Our opinion on the financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit 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.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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Chartered Accountant
Mumbai

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

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Chartered Accountant
Mumbai

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

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C.R. Mankad

Chirayu R. Mankad
Partner
(Membership No. 123058)
(UDIN: 26123058LNMPLI9181)

Place: Mumbai
Date: May 07, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of Neotrex Steel Limited (the "Company") as at March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

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Chartered Accountant
Mumbai

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C.R. Mankad

Chirayu R. Mankad
Partner
Membership No. 123058
UDIN: 26123058LNMPLI9181

Place: Mumbai
Date: May 07, 2026

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Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Neotrex Steel Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) The Company has a program of verification of property, plant and equipment and right-of-use assets so as to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i)(c) Based on the examination of the registered title deed / transfer deed and other records provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property plant and equipment are held in the name of the Company as at the balance sheet date.

(i)(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

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Chartered Accountant
Mumbai

(ii)(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not made any investments in, provided any guarantee or security, and 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, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2026.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, the Company has not defaulted in the repayment of term loans or in the payment of interest thereon to banks during the year.

Deloitte Haskins & Sells LLP Chartered Accountant Mumbai (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable.

(x)(a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(x)(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi)(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2026.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

Deloitte Haskins & Sells LLP
Chartered Accountant
Mumbai

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(xvi)(d) The Group have one CIC which is registered and four CICs which are not required to be registered with the Reserve Bank of India, forming part of the promoter group.

(xvii) The Company has incurred cash losses amounting to Rs. 725.03 Lakhs during the financial year covered by our audit and Rs. 345.37 Lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

C.R.Mankad

Chirayu R. Mankad
Partner
(Membership No. 123058)
(UDIN: 26123058LNMPLI9181)

Place: Mumbai
Date: May 07, 2026

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Balance sheet as at 31 March 2026

(Amount in ₹ lakhs)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2.1	33,730.80	34,312.24
(b) Right-of-use assets	2.2	40.10	43.99
(c) Capital work-in-progress	2.3	-	226.26
(d) Intangible assets	2.4	3.60	5.40
(e) Intangible assets under development	2.5	4.86	4.86
(f) Financial assets			
(i) Investments	3	339.55	387.29
(ii) Other financial assets	4	3,187.29	760.59
(g) Deferred tax assets (net)	24	-	85.91
(h) Current tax assets (net)	25	85.22	29.34
(i) Other non-current assets	5	-	109.03
Total non-current assets		**37,391.42**	**35,964.91**
Current assets			
(a) Inventories	6	5,361.91	5,813.19
(b) Financial assets			
(i) Trade receivables	7	7,074.23	3,578.43
(ii) Cash and cash equivalents	8	317.18	256.37
(iii) Bank balances other than (ii) above	9	-	314.21
(iv) Other financial assets	10	27.00	3,368.34
(c) Other current assets	11	1,154.29	2,216.32
Total current assets		**13,934.61**	**15,546.86**
Total assets		**51,326.03**	**51,511.77**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	2.45	2.45
(b) Instruments entirely equity in nature	13	11,997.55	11,997.55
(c) Other equity	14	(2,447.40)	(388.43)
Total equity		**9,552.60**	**11,611.57**
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	17,914.83	16,227.57
(ii) Lease liabilities	2.2	1.37	1.47
(iii) Other financial liabilities	16	239.40	-
(b) Provisions	17	31.73	16.36
(c) Other non-current liabilities	18	1,346.41	1,386.75
Total non-current liabilities		**19,533.74**	**17,632.15**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	-	4,209.61
(ii) Lease liabilities	2.2	0.26	0.26
(iii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		388.54	198.96
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		19,783.49	15,949.96
(iv) Other financial liabilities	21	847.77	1,045.74
(b) Other current liabilities	22	1,217.36	863.16
(c) Provisions	23	2.27	0.36
Total current liabilities		**22,239.69**	**22,268.05**
Total liabilities		**41,773.43**	**39,900.20**
Total equity and liabilities		**51,326.03**	**51,511.77**

See accompanying notes to the financial statements (1 - 46)

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No.- 117366W/W-100018

Chirayu R. Mankad
Partner

Place : Mumbai
Date: 07 May 2026

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For and on behalf of the Board of Directors

Lokendra Raj Singh
Director
DIN: 10573891
Place : Toranagallu
Date: 28 April 2026

Amit Agarwal
Director
DIN: 09204911
Place : Toranagallu
Date: 28 April 2026

NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Statement of profit and loss for the year ended 31 March 2026

(Amount in ₹ lakhs)

Particulars	Note No.	Year ended 31 March 2026	Year ended 31 March, 2025
I Revenue from operations	26	45,225.15	54,971.57
II Other income	27	130.82	161.04
III Total income (I + II)		**45,355.97**	**55,132.61**
IV Expenses:			
Cost of materials consumed	28	35,754.31	45,966.86
Changes in inventories of finished goods and work-in-progress	29	1,176.40	(784.80)
Employee benefits expense	30	519.50	452.46
Finance costs	31	1,941.08	2,378.84
Depreciation and amortisation expenses	32	1,311.19	1,148.55
Other expenses	33	6,581.94	7,429.81
Total expenses		**47,284.42**	**56,591.72**
V (Loss) before tax (III-IV)		**(1,928.45)**	**(1,459.11)**
VI Tax expense	24		
Current tax		-	-
Deferred tax		85.91	(250.38)
Total tax expenses		**85.91**	**(250.38)**
VII (Loss) for the year (V-VI)		**(2,014.36)**	**(1,208.73)**
VIII Other comprehensive income/ (loss)			
A (i) Items that will not be reclassified to profit or loss			
(a) Re-measurements of the defined benefit plans		3.13	0.66
(b) Fair value gain/(loss) on Investment in Equity instruments designated as at FVTOCI		(47.74)	6.48
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	(5.88)
Total (A)		**(44.61)**	**1.26**
Total other comprehensive income/(loss)		**(44.61)**	**1.26**
IX Total comprehensive income / (loss) (VII + VIII)		**(2,058.97)**	**(1,207.47)**
X Earnings per equity share of ₹ 10 each	37		
Basic (in ₹)		(1.68)	(1.01)
Diluted (in ₹)		(1.68)	(1.01)

See accompanying notes to the financial statements (1 - 46)

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No.- 117366W/W-100018

C.R. Mankad

Chirayu R. Mankad
Partner

Place : Mumbai
Date: 07 May 2026

For and on behalf of the Board of Directors

Lokendra Raj Singh
Director
DIN: 10573891
Place : Toranagallu
Date: 28 April 2026

Amit Agarwal
Director
DIN: 09204911
Place : Toranagallu
Date: 28 April 2026

NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Statement of changes in equity for the year ended 31 March 2026

A. Equity share capital

(Amount in ₹ lakhs)

Particulars	Amount
As at 01 April 2024	2.45
Changes in equity share capital during the year	-
As at 31 March 2025	**2.45**
Changes in equity share capital during the year	-
As at 31 March 2026	**2.45**

B. Instruments entirely equity in nature

(Amount in ₹ lakhs)

Particulars	Amount
As at 01 April 2024	11,997.55
Changes during the year	-
As at 31 March 2025	**11,997.55**
Changes during the year	-
As at 31 March 2026	**11,997.55**

C. Other Equity

(Amount in ₹ lakhs)

Particulars	Reserves and surplus	Items of Other Comprehensive Income /(Loss) (OCI)	Total
	Retained earnings	Equity instruments	
Opening balances as at 01 April 2024	**665.56**	**153.48**	**819.04**
Loss for the year	(1,208.73)	-	(1,208.73)
Other comprehensive income for the year, net of income tax	0.66	0.60	1.26
Balances as at 31 March 2025	**(542.51)**	**154.08**	**(388.43)**
Loss for the year	(2,014.36)	-	(2,014.36)
Other comprehensive income for the year, net of income tax	3.13	(47.74)	(44.61)
Closing balance as at 31 March 2026	**(2,553.74)**	**106.34**	**(2,447.40)**

See accompanying notes to the financial statements (1 - 46)
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No.- 117366W/W-100018

C. R. Mankad

Chirayu R. Mankad
Partner

Place : Mumbai
Date: 07 May 2026

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For and on behalf of the Board of Directors

Lokendra Raj Singh
Director
DIN: 10573891
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Amit Agarwal
Director
DIN: 09204911
Place : Toranagallu
Date: 28 April 2026

NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Statement of Cash Flows for the year ended 31 March 2026

(Amount in ₹ lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from operating activities		
Loss before tax	(1,928.45)	(1,459.11)
Adjustments for :		
Depreciation and amortisation expenses	1,311.19	1,148.55
Interest income	(67.38)	(72.91)
Gain arising of financial instruments designated as FVTPL	(2.67)	(2.40)
Export obligation deferred income amortisation	(57.20)	(32.41)
Dividend income	(1.44)	(1.44)
Interest expense	1,941.08	2,378.84
Liabilities no longer required written back	(47.90)	-
Unrealised exchange loss (net)	2.37	0.39
Operating profit before working capital changes	**1,149.60**	**1,959.51**
Adjustments for :		
Decrease/(Increase) in inventories	451.28	(2,477.74)
(Increase)/Decrease in trade receivables	(3,495.80)	539.53
Decrease/(Increase) in other assets	2,041.44	(2,877.14)
Increase in trade payables	4,072.32	7,922.26
Increase / (Decrease) in other liabilites	273.57	(624.39)
Increase in provisions	37.27	10.74
Cash flow from operations	**4,529.68**	**4,452.77**
Income taxes paid (net of refund received)	(55.88)	4.58
Net cash generated from operating activities (A)	**4,473.80**	**4,457.35**
Cash flow from investing activities		
Purchase of property, plant & equipment, intangible assets (including under development and capital advances)	(475.56)	(1,059.13)
Proceeds from/(Investments in) bank deposits	286.40	(86.60)
Dividend received	2.74	1.44
Interest received	40.38	159.01
Net cash used in investing activities (B)	**(146.04)**	**(985.28)**
Cash flow from financing activities		
Proceeds from inter-corporate loans from related party	17,014.83	700.00
Proceeds from non-current borrowings	-	308.91
Proceeds from/ (repayment) of current borrowings (net)	(19,638.31)	(2,335.68)
Repayment of lease liabilities	(0.26)	(0.26)
Interest paid	(1,643.21)	(2,339.22)
Net cash (used) in financing activities (C)	**(4,266.95)**	**(3,666.25)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	60.81	(194.18)
Cash and cash equivalents at the beginning of the year	256.37	450.55
Cash and cash equivalents at the end of the year	**317.18**	**256.37**

Reconciliations part of cash flows

Particulars	1 April 2025	Cash flows(net)	Other#	31 March 2026
Non current borrowings				
Term loans (including current maturities of long term borrowing included in current borrowings note 19)	19,537.18	(19,638.31)	101.13	-
Inter- corporate loans (including current maturities)	900.00	17,014.83	-	17,914.83
	20,437.18	**(2,623.48)**	**101.13**	**17,914.83**
Lease liabilities (including current maturities)	1.73	(0.26)	0.16	1.63

Reconciliations part of cash flows

Particulars	1 April 2024	Cash flows(net)	Other#	31 March 2025
Non current borrowings				
Term loans (including current maturities of long term borrowing included in current borrowings note 19)	21,563.95	(2,052.30)	25.54	19,537.18
Inter- corporate loans (including current maturities)	200.00	700.00	-	900.00
	21,763.95	**(1,352.30)**	**25.54**	**20,437.18**
Lease liabilities (including current maturities)	1.82	(0.26)	0.17	1.73

Other comprises of upfront fees amortization

Notes :

1. The cash flow statement is prepared using the "indirect method" set out in Ind AS 7 – Statement of Cash Flows.
2. Net cash used in investing activities excludes non-cash transactions such as fair valuation of investments, foreign exchange gain/loss etc.

See accompanying notes to the financial statements (1 - 46)

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
FRN No.- 117366W/W-100018

C.R. Mankad

Chirayu R. Mankad
Partner

Place : Mumbai
Date: 07 May 2026

JC

For and on behalf of the Board of Directors

Lokendra Raj Singh
Director
DIN: 10573891
Place : Toranagallu
Date: 28 April 2026

Amit Agarwal
Director
DIN: 09204911
Place : Toranagallu
Date: 28 April 2026

NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Notes to the financial statements for the year ended 31 March 2026

Note 1 Corporate Information

Neotrex Steel Limited (Formerly known as "Neotrex Steel Private Limited") ("the Company") was incorporated on October 25, 2019 under the Companies Act, 2013 The registered office of the Company is situated at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 and is primarily engaged in the business of manufacture of Low Relaxation Prestressed Concrete (LRPC) wire rods. The parent of Neotrex Steel Limited is "JSW Steel Limited".

Note 1.1 Material accounting policies

a) Statement of compliance

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to financial statements.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and material accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

These financial statements are approved for issue by the Board of Directors on 28 April 2026.

b) Basis of preparation and presentation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope the of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date:

• Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly: and

• Level 3 inputs are unobservable inputs for the asset or liability.

c) Functional and Presentation Currency

The financial statements are presented in Indian rupees (Rs.) which is also the Company's functional currency, and the amounts are rounded off to lakhs with two decimal places, unless otherwise stated.

d) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is current, when it satisfies any of the following criteria:
• It is expected to be realised or intended to sold or consumed in normal operating cycle:
• It is held primarily for the purpose of trading;
• It is expected to be realised within twelve months after the reporting period, or
• It is Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
Current assets include the current portion of non-current assets. All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:
• It is expected to be settled in normal operating cycle:
• It is held primarily for the purpose of trading:
• It is due to be settled within twelve months after the reporting period: or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
Current liabilities include the current portion of non-current liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle:

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Accordingly, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

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Deloitte Haskins & Sells LLP Chartered Accountant Mumbai

NEOTREX STEEL LIMITED

e) Revenue recognition

I. Sale of Goods

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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

Contract balances

i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

ii) Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).
Trade receivables is derecognised when the Company transfers substantially all the risks and rewards of ownership of the asset to another party including discounting of bills on a nonrecourse basis.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer.

iv) Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

II. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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Mumbai

NEOTREX STEEL LIMITED

f) Property, plant and equipment

Recognition & measurement

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken to improves the economic benefits expected to arise from the asset.

Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc. The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis

Class of assets	Years
Plant and equipment	20 to 30 years
Buildings	10 to 30 years
Furniture & Fixtures	8 to 15 years
Office equipments	8 to 15 years

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows

Class of assets	Years
Computer Software & Licenses	5 years

h) *Impairment*

At each reporting date, management reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. The recoverable amount of an asset is the greater of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

JC

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Chartered Accountant
Mumbai

NEOTREX STEEL LIMITED

i) Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

j) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

JC

Deloitte Haskins & Sells LLP Chartered Accountant Mumbai

NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Notes to the financial statements for the year ended 31 March 2026 (continued)
Note 1 Material accounting policies (continued)

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term and the lease term is as follows.

Class of assets	Years
Leasehold land	15 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are subject to impairment test.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

l) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Deloitte Haskins & Sells LLP Chartered Accountant Mumbai

NEOTREX STEEL LIMITED

m) Foreign currency transactions

These financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

o) Government grants and incentives

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.
Government grants are recognised in the Statement of Profit and Loss on fulfilling the eligibility conditions.

Government incentives includes grants on account of duty saved on import of capital goods and spares (property, plant and equipment) under the EPCG (Export Promotion Capital Goods) scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

p) Employee benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.
For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of profit and loss. Past service cost is recognised in Statement of profit and loss in the year of a plan amendment or when the company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
net interest expense or income; and
re-measurement

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.
The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.
A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

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NEOTREX STEEL LIMITED

p) Employee benefits (continued)

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

q) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

r) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

A. Financial Assets

i. Recognition and initial measurement

A financial asset or financial liability is initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue of the financial asset or financial liability. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- Fair Value Through Other Comprehensive Income (FVTOCI) – debt investment;
- FVTOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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r) Financial instruments (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
– how the performance of the portfolio is evaluated and reported to the Company's management;
– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:
– contingent events that would change the amount or timing of cash flows;
– terms that may adjust the contractual coupon rate, including variable interest rate features;
– prepayment and extension features; and
– terms that limit the Company's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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r) Financial instruments (continued)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Debt investments at FVTOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

A financial liability is classified as held for trading if:

It has been incurred principally for the purpose of repurchasing it in the near term; or

on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit- taking; or

it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of profit or loss.

v. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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NEOTREX STEEL LIMITED

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Notes to the financial statements for the year ended 31 March 2026 (continued)
Note 1 Material accounting policies (continued)

r) Financial instruments (continued)

Evidence that a financial asset is credit- impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default and overdue;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise:
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Measurement and presentation of allowances for expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.
For debt securities at FVOCI, the loss allowance is not charged to profit or loss and is recognised in OCI.
Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

vi. Impairment of non-financial assets
The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are accompained together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).
The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.
In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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NEOTREX STEEL LIMITED

s) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

u) Key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future years.

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods

Critical estimates and judgements

ii) Incentives under the Karnataka Industrial Policy

The Company is classified as Mega Enterprise (projects with an investment in fixed assets above 250 crore and up to 500 crore) under the Karnataka Industrial Policy 2020-2025.

Subsidy is 2% of Turnover from sale of manufactured goods of the Company for a maximum of 8 years subject to 50% of VFA (value of eligible Fixed Asset)

The Company has completed the project and also fulfilled the conditions as per the policy and in the process of obtaining the eligibility certificate from the Government. The Company believes that it will receive the eligibility certificate and also incentive amount will be received from the department.

v) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The MCA vide notification dated May 7, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Second Amendment Rules, 2025, which amended certain accounting standards effective for annual reporting periods beginning on or after April 1, 2025:

(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

As a result of the adoption of the amendments to Ind AS 1, the Company revised its accounting policy for the classification of borrowings. Borrowings are classified as current liabilities unless, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period. Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification. This new policy did not result in a change in the classification of the Company's borrowings.

b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

These amendments require additional disclosures in respect of supplier finance arrangements. The Company has evaluated these amendments and determined that they do not have any material impact on its financial statements.

(c) Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 introduces requirements to help entities determine whether a currency is exchangeable into another currency and the spot exchange rate to use where it is not. The Company has evaluated these amendments and determined that they do not have any material impact on its financial statements. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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NEOTREX STEEL LIMITED

Neotrex Steel Limited
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Notes to the financial statements for the year ended 31 March 2026

2.1 - Property, Plant and Equipment

(Amount in ₹ lakhs)

Particulars	Buildings	Plant and machinery	Furniture and fittings	Office equipment	Computers	Total tangible assets
Cost/deemed cost						
At 01 April 2024	2,287.85	17,372.77	66.57	95.61	22.74	19,845.54
Additions	1,951.79	14,576.63	36.90	17.23	5.44	16,587.99
At 31 March 2025	**4,239.64**	**31,949.40**	**103.47**	**112.84**	**28.18**	**36,433.53**
Additions	378.96	330.50	9.49	4.52	0.59	724.06
At 31 March 2026	**4,618.59**	**32,279.90**	**112.96**	**117.36**	**28.77**	**37,157.59**
Accumulated depreciation						
At 01 April 2024	119.71	800.42	11.42	34.22	12.66	978.43
Depreciation charge for the year	147.33	958.17	9.37	20.02	7.97	1,142.86
At 31 March 2025	**267.04**	**1,758.59**	**20.79**	**54.24**	**20.63**	**2,121.29**
Depreciation charge for the year	171.38	1,098.57	10.16	19.96	5.43	1,305.50
At 31 March 2026	**438.42**	**2,857.16**	**30.95**	**74.20**	**26.06**	**3,426.79**
Net book value						
At 31 March 2026	**4,180.17**	**29,422.74**	**82.01**	**43.17**	**2.71**	**33,730.80**
At 31 March 2025	**3,972.59**	**30,190.81**	**82.68**	**58.60**	**7.55**	**34,312.24**
At 01 April 2024	**2,168.14**	**16,572.35**	**55.15**	**61.39**	**10.08**	**18,867.11**

a. Included other adjustments

(Amount in ₹ lakhs)

Particulars	Property, plant and equipment		Capital work-in-progress	
	As at 31 March 2026	As at 31 March 2025	As at 30 April 2025	As at 31 March 2025
Borrowing cost	-	738.76	-	-
Foreign exchange loss / (gain) (including regarded as an adjustment to borrowing costs)	-	-	-	-

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Notes to the financial statements for the year ended 31 March 2026

2.2 Right-of-use assets and Lease liabilities

(Amount in ₹ lakhs)

Particulars	Land
Cost	
As at 01 April 2024	58.42
Additions	-
As at 31 March 2025	**58.42**
Additions	-
As at 31 March 2026	**58.42**
Accumulated depreciation	
As at 01 April 2024	10.54
Depreciation charge for the year	3.89
At 31 March 2025	**14.43**
Depreciation charge for the year	3.89
At 31 March 2026	**18.33**
Net book value	
At 31 March 2026	**40.10**
At 31 March 2025	**43.99**
As at 01 April 2024	**47.88**

Lease liabilities

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026
As at 01 April 2024	1.82
Interest accrued	0.17
Payment of lease liabilities	(0.26)
As at 31 March 2025	**1.73**
Interest accrued	0.16
Payment of lease liabilities	(0.26)
As at 31 March 2026	**1.63**

Classification of lease liabilities:

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Current	0.26	0.26
Non- current	1.37	1.47
Total lease liabilities	**1.63**	**1.73**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Less than 1 year	0.25	0.25
1-5 years	1.00	1.00
More than 5 years	1.39	1.64
Total lease liabilities	**2.64**	**2.89**

The Company has recognised Rs. 0.80 Lakhs (March 31, 2025 : Rs. 3.35 lakhs) as rent expenses during the year which pertains to short term lease/ low value asset which was not recognised as part of right of use asset.
The Company has taken Land on lease for a lease term of 15 years.

Amount Recognised in statement of profit and loss

(Amount in ₹ lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation	3.89	3.89
Interest expenses	0.16	0.17
Expenses related to short term	0.80	3.35
Total	**4.85**	**7.41**

2.3 - Capital work-in-progress

(Amount in ₹ lakhs)

Cost/deemed cost	
At 01 April 2024	16,300.37
Additions	513.88
Deductions / Capitalisation	(16,587.99)
At 31 March 2025	**226.26**
Additions	497.80
Deductions / Capitalisation	(724.06)
At 31 March 2026	-

CWIP Ageing

(Amount in ₹ lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Canteen	-	-	-	-	-
At 31 March 2026	-	-	-	-	-

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Canteen	183.20	43.06	-	-	226.26
At 31 March 2025	**183.20**	**43.06**	-	-	**226.26**

As on balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost compared to it's original plan.

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NEOTREX STEEL LIMITED

2.4 - Intangible Assets

(Amount in ₹ lakhs)

Particulars	**Computer Software**
I. Cost/deemed cost	
At 01 April 2024	9.00
Additions	-
At 31 March 2025	**9.00**
Additions	-
At 31 March 2026	**9.00**
II. Accumulated amortisation	
At 01 April 2024	1.80
Amortisation	1.80
As at 31 March 2025	**3.60**
Amortisation	1.80
As at 31 March 2026	**5.40**
Net carrying amount (I-II)	
At 31 March 2026	**3.60**
At 31 March 2025	**5.40**
At 01 April 2024	**7.20**

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2.5 - Intangible Assets under Development

(Amount in ₹ lakhs)

Particulars	Trade mark
Cost	
As at 1 April, 2024	4.86
Additions / Transfer in	-
As at 31 March 2025	**4.86**
Additions / Transfer in	-
As at 31 March 2026	**4.86**

Note : Intangible assets under development include expenditure incurred on trademark registration

Intangible assets under development ageing schedule is as below:

(Amount in ₹ lakhs)

Particulars	less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Trade mark under development	-	-	-	4.86	4.86
At 31 March 2026					**4.86**

Particulars	less than 1 year	1-2 years	2-3 years	more than 3 years	Total
Trade mark under development	-	-	4.86	-	4.86
At 31 March 2025					**4.86**

Projects has been grouped into various heads basis nature of the projects

For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, completion schedule is as below:

(Amount in ₹ lakhs)

Particulars	To be Completed in - Less than 1 year	- 1 to 2 years	- 2 to 3 years	More than 3 years	Total
Trade mark under development		4.86			4.86

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(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
3 Investments (Non- Current)		
Investment in equity instruments		
Quoted - Others (at fair value through OCI)		
JSW Energy Limited 72,000 (31 March 2025: 72,000) equity shares of Rs. 10 each/-	339.55	387.29
	339.55	**387.29**
Quoted		
Aggregate book value	339.55	387.29
Aggregate market value	339.55	387.29
Investment at fair value through other comprehensive income	339.55	387.29

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
4 Other non-current financial assets		
Unsecured and considered good		
Security deposits- Measured at amortised cost (refer note 38)	333.22	330.55
Government grant income receivable-Measured at amortised cost	2,387.65	-
Other receivables	8.57	-
Long Term Deposit with remaining maturity of more than 12 months*	457.85	430.04
	3,187.29	**760.59**

* Earmarked as margin money deposit agasint bank guarantees

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
5 Other non-current assets		
Unsecured and considered good		
Capital advances	-	100.46
Other receivables	-	8.57
	-	**109.03**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
6 Inventories		
Raw materials	2,052.86	1,637.88
Work-in-progress	485.57	704.87
Finished goods*	1,696.21	2,653.31
Production consumables and stores & spares	1,127.27	817.12
	5,361.91	**5,813.19**

* Includes finished goods stock-in-transit of Rs. 834.47 Lakhs (31 March 2025: Rs. 589.81 Lakhs)
Value of inventories above is stated after write down to net realisable value of Rs. Nil (March 31, 2025 : Rs 136.87 Lakhs).

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
7 Trade receivables (current)		
Trade receivables considered good - Unsecured	7,074.23	3,578.43
Less: Allowance for expected credit losses	-	-
	7,074.23	**3,578.43**

Ageing as at March 31, 2026:

Particulars	Not yet due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	7,039.60	12.63	22.00	-	-	-	7,074.23
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-	-
Total	**7,039.60**	**12.63**	**22.00**	-	-	-	**7,074.23**

Ageing as at March 31, 2025:

Particulars	Not yet due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivables - considered good	3,480.66	90.08	7.69	-	-	-	3,578.43
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowance for expected credit losses	-	-	-	-	-	-	-
Total	**3,480.66**	**90.08**	**7.69**	-	-	-	**3,578.43**

The credit period on sales of goods ranges from 7 to 120 days with or without security.

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Company does not generally hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Credit risk management regarding trade receivables has been described in note 42.
Trade receivables from related parties' details has been described in note 38.
Trade receivables does not include any receivables from directors and officers of the company.

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NEOTREX STEEL LIMITED

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
8 Cash and cash equivalents		
Balances with Banks		
- In current accounts	317.18	241.10
- In term deposit accounts with original maturity less than 3 months at inception	-	15.27
	317.18	**256.37**

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
9 Bank balances other than cash and cash equivalents		
Balances with Banks In term deposit accounts		
- with maturity more than 3 months but less than 12 months at inception	-	314.21
	-	**314.21**

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
10 Other current financial assets		
Government grant income receivable	-	1,768.75
Export benefits and entitlements receivable	-	8.59
Discounts rebates receivable	-	1,591.00
Interest receivable		
- on security deposits (accrued but not due)	27.00	0.00
	27.00	**3,368.34**

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
11 Other current assets		
Unsecured and considered good		
- Advance to suppliers	43.94	40.72
- Indirect tax balances/recoverable/credits	1,092.08	1,993.10
- Prepayments and others	14.73	78.67
- Other receivables	3.54	103.83
	1,154.29	**2,216.32**

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
12 Equity share capital		
Authorised capital		
50,000 (31 March 2025: 50,000) Equity shares of the par value of ₹ 10 each	5.00	5.00
	5.00	**5.00**
Issued, subscribed and fully paid-up capital		
24,500 (31 March 2025: 24,500) Equity shares of the par value of ₹ 10 each	2.45	2.45
	2.45	**2.45**

i **Rights, preferences and restrictions attached to equity shares:**
The Company has a single class of equity shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

ii **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of shares	Amount in Rs. Lakhs	Number of shares	Amount in Rs. Lakhs
Shares outstanding at the beginning of the year	24,500	2.45	24,500	2.45
Issue of shares during the year	-	-	-	-
Shares outstanding at the end of the year	**24,500**	**2.45**	**24,500**	**2.45**

iii **Details of shareholder holding more than 5% shares in the compay**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of shares	% Holding	Number of shares	% Holding
JSW Steel Limited	19,600	80%	19,600	80%
Jayant Padgilwar	2,450	10%	2,450	10%
Dilip Pagariya	2,450	10%	2,450	10%

iv **Shareholding of Promoters :**

Particulars	As at 31 March 2026		As at 31 March 2025		% change during the year
	Number of shares	% Holding	Number of shares	% Holding	
JSW Steel Limited	19,600	80%	19,600	80%	-
Jayant Padgilwar	2,450	10%	2,450	10%	-
Dilip Pagariya	2,450	10%	2,450	10%	-

v Shares alloted as fully paid-up pursuant to contracts without payment being received in cash during the year of five years immediately preceding the date of the balance sheet - "Nil".
vi There are no calls unpaid
vii There are no forefeited shares.
viii Theres are no bonus shares issued during the five years immediately preceding the date of the balance sheet.
ix There are no buy back made of shares during the five years immediately preceding the date of the balance sheet.

		(Amount in ₹ lakhs)
	As at 31 March 2026	As at 31 March 2025
13 Instruments entirely equity in nature		
Zero Coupon Compulsory convertible debentures	11,997.55	11,997.55
	11,997.55	**11,997.55**

Zero Coupon Compulsory convertible debentures (CCDs)
The Company has outstanding 119,975,500 (31 March 2025: 119,975,500) unsecured, Zero coupon compulsorily convertible debentues ("CCDs") of Rs 10 - each. Convertible into equity shares of the company in the ratio of 1:1 at any time after 3 months but before expiry of 120 months from the date of allotment. The said CCDs are interest free and non redeemable in nature.

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NEOTREX STEEL LIMITED

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
14 Other equity		
Retained earnings (refer note i)	(2,553.74)	(542.51)
Other Comprehensive Income:		
Equity instruments through other comprehensive income (refer note ii)	106.34	154.08
	(2,447.40)	**(388.43)**

i **Retained earnings**
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

ii **Equity instruments through other comprehensive income**
The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument

(Amount in ₹ lakhs)

15 Borrowings (at amortised cost)	As at 31 March 2026		As at 31 March 2025	
	Non-current	Current	Non-current	Current
Secured				
i. Term loans from banks	-	-	16,301.31	3,337.00
Unsecured				
ii. Inter corporate loans from related parties (refer note 38 & refer i below)	17,914.83	-	-	900.00
	17,914.83	-	**16,301.31**	**4,237.00**
Unamortised upfront fees on borrowing	-	-	(73.74)	(27.39)
	17,914.83	-	**16,227.57**	**4,209.61**
Less: Amount clubbed under short term borrowings (refer note 19)	-	-		(4,209.61)
Total (a)	**17,914.83**	-	**16,227.57**	-

i **Security and terms repayment of term loan borrowings**

A. Rupee term loan of Rs. Nil (31 March 2025: Rs. 4,713.08 Lakhs)
1. Repayable after 12 months from scheduled commercial operation date in 28 quarterly installments of Rs. 196.50 Lakhs each from June 30,2024 to March 31, 2031 and ROI - 1 year MCLR plus 0.65% p.a.
2. First paripassu charge on immovable property,plant and equipment both present and future including mortgage of leasehold land rights related to project.
3. First paripassu charge on all the project / borrower's movable property,plant and equipment / properties including plant and machinery, machine spares, tools, and accessories, furnitures, fixtures, vehicles and other movable assets both (current and future)
4. Term loan has been paid during the current year.

B. Rupee term loan of Rs. Nil (31 March 2025: Rs. 4,711.24 Lakhs)
1. Repayable after 12 months from scheduled commercial operation date in 28 quarterly installments of Rs. 196 Lakhs each from June 30,2024 to March 31, 2031 and ROI - 6 month EBLR plus 5.17% p.a
2. First paripassu charge on all property,plant and equipment both present and future assets of the company
3. Term loan has been paid during the current year.

C. Rupee term loan of Rs. Nil (31 March 2025: Rs. 10,214.00 Lakhs)
1. Repayable after 12 months from commencement of commercial operation in 26 quarterly installments of Rs. 392.75 Lakhs each and ROI - 1 year MCLR plus 1.65% p.a
2. First paripassu charge on immovable property,plant and equipment both present and future including mortgage of leasehold land rights related to project
3. First paripassu charge on all the project / borrower's movable property,plant and equipment / properties including plant and machinery, machine spares, tools, and accessories, furnitures, fixtures,
4. Term loan has been paid during the current year.

ii. **Terms of Inter corporate loans from related parties**
1. Unsecured - Inter corporate loan from related parties carries an interest rate of 1 month SBI MLCR plus 50 basis points per annum (subject to annul reset) and compounded annualy
2. The said Inter corporate loan of Rs. 900 lakhs is repayable after 5 years (i.e December 29, 2031) and loan of Rs. 17014.83 lakhs is repayable after 5 year (i.e. March 04, 2031) from the first draw down date or such other date as may be agreed by the both parties

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
16 Other non-current financial liabilities		
Interest accrued but not due on inter corporate loans (refer note 38)	239.40	-
	239.40	-

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
17 Provisions (Non- Current)		
Employee benefit obligations (refer note 39)		
- Gratuity	19.54	9.03
- Compensated absences	12.19	7.33
	31.73	**16.36**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
18 Other non-current liabilities		
Export obligation deferred income (refer note 34) *	1,346.41	1,386.75
	1,346.41	**1,386.75**

* Export obligation deferred income represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipment accounted for as government grant and accounted in revenue on fulfillment of export obligation.

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
19 Borrowings (Current)		
Current maturities of long term borrowings (refer note 15)	-	3,309.61
Inter corporate loans from related parties (refer note 38)	-	900.00
	-	**4,209.61**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
20 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	388.54	198.96
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19,783.49	15,949.96
	20,172.03	**16,148.92**

Payables Other than acceptances are normally settled within 180 days.
Trade payables from related parties' details has been described in note 38

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NEOTREX STEEL LIMITED

Disclosure pertaining to micro and small enterprises:

Description	As at 31 March 2026	As at 31 March 2025
Principal amount outstanding as at end of year (refer note i)	541.51	238.96
Principal amount overdue more than 45 days (refer note ii)	39.50	43.03
Interest due and unpaid as at end of year	4.68	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year	179.35	-
Interest due and payable for the period of delay	7.00	-
Interest accrued and remaining unpaid as at end of year	11.68	-
Amount of further interest remaining due and payable in succeeding year	-	-

i. It includes vendors classified as part of other financial liabilities in note 21 relating to payable for capital projects amounting to Rs. 152.96 Lakhs in 31 March 2026 (Rs. 83.03 Lakhs in 31 March 2025)
ii. Payment delay due to late submission of invoices / details by the vendor.

20 Trade payables (continued)
Ageing of trade payables

As at 31 March 2026

Particulars	Unbilled dues	Not yet due	Outstanding for following periods from due date of payment				Total
			less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed dues:							-
MSME	152.37	212.29	20.05	3.18	0.66	-	388.54
Others	2,751.64	179.67	16,851.10	1.08	-	-	19,783.49
Disputed dues:							
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-

As at 31 March 2025

Particulars	Unbilled dues	Not yet due	Outstanding for following periods from due date of payment				Total
			less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed dues:							-
MSME	64.39	94.79	32.70	7.08	-	-	198.96
Others	782.70	125.19	15,018.93	23.14	-	-	15,949.96
Disputed dues:							
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-

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NEOTREX STEEL LIMITED

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
21 Other current financial liabilities (at amortised cost)		
Payables for capital projects	167.31	119.32
Retention money for capital projects	401.25	527.45
Interest accrued but not due on inter corporate loans (refer note 38)	-	61.21
Interest accrued but not due on borrowings	-	1.21
Refund liabilities (refer note 26)	248.08	321.46
Others	31.13	15.09
	847.77	**1,045.74**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
22 Other current liabilities		
Advances from Customers	1,145.31	839.25
Statutory dues	72.05	23.91
	1,217.36	**863.16**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
23 Provisions (Current)		
Employee benefit obligations (refer note 39)		
- Gratuity	0.14	0.01
- Compensated absences	2.13	0.35
	2.27	**0.36**

24 Income Tax

In pursuance of section 115BAB of the Income Tax Act,1961 announced by the Government of India through taxation laws (amendment) ordinance 2019, the Company has opted for irrevocable option of Shifting to Lower tax rate w.e.f. Financial Year 2019-20

The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assesments under Income Tax Act,1961.

A. Income Tax Expense

Income tax expense recognised in statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Current tax	-	-
Current tax (including earlier years reversals / adjustments)	-	-
(b) Deferred tax (Credit):		
in respect of current year	85.91	(250.38)
	85.91	**(250.38)**

Deferred tax

The income tax expense for the year can be reconciled to the PBT as follows:

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	(1,928.45)	(1,459.11)
Enacted tax rate in india (Section 115BAB of Income-tax Act,1961)	17.16%	17.16%
Enacted income tax expense at statutory tax rate	(330.92)	(250.38)
Tax on depreciation and other allowance	-	-
Tax provision/(reversal) for earlier years on finalisation of income tax returns	-	-
Other timing differences	416.83	-
Income tax expense for the year	85.91	(250.38)
Effective income tax rate	(4.45%)	17.16%

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24 Income Tax (continued)

B. Deferred tax assets (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

(Amount in ₹ lakhs)

Deferred tax balance in relation to	As at 31 March 2025	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March 2026
Excess depreciation allowable under income-tax law over depreciation recognised in the financial statements	(973.74)	(458.96)	-	(1,432.70)
Timing difference on brought forward business losses	1,084.27	372.38	-	1,456.65
Fair value of investments	(25.71)	-	-	(25.71)
Other timing differences	1.10	0.67	-	1.76
Deferred tax assets (net)	**85.91**	**(85.91)**	**-**	**-**

Deferred tax liability (net)

Deferred tax balance in relation to	As at 01 April 2024	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensive income	As at 31 March 2025
Excess depreciation allowable under income-tax law over depreciation recognised in the financial statements	(489.08)	(484.66)	-	(973.74)
Timing difference on brought forward business losses	349.46	734.80	-	1,084.27
Fair value of investments	(19.83)	-	(5.88)	(25.71)
Other timing differences	0.86	0.24	-	1.10
Deferred tax liablities (net)	**(158.59)**	**250.38**	**(5.88)**	**85.91**

Expiry Schedule for Tax losses

Assessment year	Expiry Year	(Amount in ₹ lakhs)
2025-26	2033-34	332.22

The amount of unabsorbed depreciation for which no DTA is recognised in the balance sheet is as follows :

Assessment year	Expiry Year	(Amount in ₹ lakhs)
2023-24	Carry forward for infinite years	705.81
2024-25	Carry forward for infinite years	1,356.04
2025-26	Carry forward for infinite years	4,574.65
Total		**6,636.50**

(Amount in ₹ lakhs)

	As at 31 March 2026	As at 31 March 2025
25 Income Tax Asset (net of Provision)		
Advance tax	85.22	29.34
Less: Provision for tax	-	-
Total	**85.22**	**29.34**

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(Amount in ₹ lakhs)

	Year ended 31 March 2026	Year ended 31 March 2025
26 Revenue from operations		
Sale of products		
Domestic turnover	42,518.43	52,651.41
Export turnover	1,153.70	653.78
Other operating revenues		
Government grant income		
Grant income recognised under State industrial policy	618.90	1,060.75
Export obligation deferred income amortisation	57.20	32.41
Export benefits and entitlements income	15.68	8.79
Sale of scrap (refer note 38)	861.24	564.43
	45,225.15	**54,971.57**

Note :

(i) The Company is eligible for claiming incentives for investments made as per Government of Karnataka Industrial Policy 2020-2025. Accordingly, the Company has completed the project and also fulfilled the conditions as per the policy and in the process of obtaining the eligibility certificate from the Government, the Company has recognised the grant amount of Rs. 618.90 Lakhs (March 31, 2025 - Rs. 1,060.75 Lakhs).

Product wise turnover

Particulars	For the year ended 31 March 25		For the year ended 31 March 25	
	Tonnes	Rs. in Lakhs	Tonnes	Rs. in Lakhs
Low Relaxation Prestressed Concrete (LRPC) Strands	74,475	43,672.13	83,969	53,305.19

Ind AS 115 Revenue from contracts with customers

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts with customer - Sale of products	43,672.13	53,305.19
Other operating revenue	1,553.03	1,666.37
Total	**45,225.15**	**54,971.57**
India	44,071.45	54,317.79
Outside India	1,153.70	653.78
Total	**45,225.15**	**54,971.57**
Timing of revenue recognition		
At a point in time	45,225.15	54,971.57
Total	**45,225.15**	**54,971.57**

Contract Balances

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Contract assets	-	-
Trade Receivables (refer note 7)	7,074.23	3,578.43
Contract liabilities		
Advance from customes (refer note 22) ^	1,145.31	839.25

The credit period on sales of goods ranges from 7 to 120 days with or without security.

^ Contract liabilities include short term advances received for sale of goods.

Out of the total contract liabilities outstanding as on 31 March, 2026 : Rs. 1145.31 lakhs (31 March, 2025: Rs. 839.25 lakhs) will be recognised by 31 March 2027.

Refund liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Arising from volume rebates and discount (included in other financial liabilities- refer note 21)	248.08	321.46

The Company does not have any significant adjustments between the contracted price and revenue recognised in the statement of profit and loss.

27 Other income		
Interest Income earned on financial assets designated as amortised cost		
On security deposits - from related parties	30.00	31.21
On bank deposits	37.38	41.70
Interest Income earned on financial assets that are designated as FVTPL	2.67	2.40
Net gain on foreign currency transactions and translation	8.82	17.20
Liabilities no longer required written back	47.90	-
Liquidated damages	0.58	67.06
Dividend income from non-current investments	1.44	1.44
Miscellaneous income	2.02	0.03
	130.82	**161.04**
28 Cost of materials consumed		
Cost of materials consumed	35,754.31	45,966.86
	35,754.31	**45,966.86**
29 Changes in inventories of finished goods and work-in-progress		
A. Opening Stock:		
Work-in-progress	704.87	811.34
Finished goods	2,653.31	1,762.04
	3,358.18	**2,573.38**
B. Closing Stock:		
Work-in-progress	485.57	704.87
Finished goods	1,696.21	2,653.31
	2,181.78	**3,358.18**
Changes in inventories (A-B)	**1,176.40**	**(784.80)**
30 Employee benefits expenses		
Salaries and wages (net)	422.56	386.10
Contribution to provident and other funds (refer note 39)	49.15	41.44
Gratuity (refer note 39)	13.77	4.15
Staff welfare expenses	34.02	20.77
	519.50	**452.46**

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NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Notes to the financial statements for the year ended 31 March 2026 (continued)

31 Finance costs

Interest on term loans	1,503.78	1,966.68
Interest on lease liabilities	0.16	0.17
Interest on inter-corporate loans from related parties (refer note 38)	197.80	42.85
Other borrowing costs	239.34	369.14
	1,941.08	**2,378.84**

32 Depreciation and amortisation expenses

Depreciation of property, plant and equipment (refer note 2.1)	1,305.50	1,142.86
Depreciation of Right of use assets (refer note 2.2)	3.89	3.89
Amortisation of intangible assets (refer note 2.4)	1.80	1.80
	1,311.19	**1,148.55**

33 Other expenses

Rent	0.80	3.35
Stores and spares consumed	842.65	919.85
Rates and taxes	50.48	96.12
Power and fuel	1,905.06	2,452.01
Water charges	47.91	52.29
Packing charges	566.28	699.14
Carriage and freight	1,666.85	1,974.70
Shared service cost	98.88	69.20
Insurance	41.42	46.66
Travelling and conveyance	16.29	12.82
Export commission	28.35	-
Contractual manpower cost	865.59	566.11
Repairs and maintenance		
- Machinery	51.15	40.55
- Others	201.35	297.54
Professional and consultancy charges	24.33	24.09
Audit fees (refer note 35)	19.40	10.05
Product certification charges	71.18	83.11
Port Handling Charges	18.37	25.90
Director's sitting fees	2.40	2.00
Security charges	24.35	37.07
Miscellaneous expenses	38.85	17.24
	6,581.94	**7,429.81**

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NEOTREX STEEL LIMITED

Neotrex Steel Limited
CIN : U27204MH2019PLC332223
Notes to the financial statements for the year ended 31 March 2026 (continued)

34 (a) Contingent liabilites
Disputed claims/levies (excluding interest, if any) - Nil (31 March 2025 - Nil)

34 (b) Commitments
Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances) Rs 343.27 lakhs (31 March 2025: 281.05 lakhs).

34 (c) Other commitments
The company has imported capital goods under the export promotion capital goods scheme to utilize benefit of a zero customs duty rate. These benefits are subject to future exports within the stipulated year and such export obligation at year end 31 March 2026 aggregate to Rs.27,058.28 lakhs (31 March 2025: 27,971.84 lakhs).

35. Auditors' remuneration
Audit fees and certification charges included in professional fees (excluding taxes)

(Amount in ₹ lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31 March 2025
Statutory audit (including limited reviews)	15.55	8.40
Tax Audit	3.00	1.05
Other certifications	0.85	0.60
Total	**19.40**	**10.05**

36. Corporate social responsibility (CSR):
Section 135 of the Companies Act 2013 and the Rules made thereunder prescribe that every company having a net worth of Rs 500 crore or more, or turnover of Rs 1,000 crore or more or a net profit of Rs 5 crore or more during any financial year shall ensure that the Company spends in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility (CSR) policy. The provisions pertaining to CSR as prescribed under the Companies Act 2013 are not applicable to the Company for the current year.

37. Earnings per share ('EPS')

(Amount in ₹ lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31 March 2025
Loss attributable to equity shareholders (Rs. In Lakhs) (A)	(2,014.36)	(1,208.73)
Weighted average number of equity and CCDs outstanding during the year - for Basic and Diluted (B)	12,00,00,000	12,00,00,000
Earnings per share in Rs. – Par value of Rs.10 per share		
Basic EPS (Rs.) (A/B)	(1.68)	(1.01)
Diluted EPS (Rs.) (A/B)	(1.68)	(1.01)

38. Related party disclosures

I. Parent Company
a. JSW Steel Limited

II. Independent non-executive directors
a. Mr. Alok Mehrotra (Independent Director)
b. Ms. Rakhi Jain (Independent Director)
c. Mr. Lokendra Raj Singh (Non-Executive Director)
d. Mr. Amit Agarwal (Non-Executive Director)
e. Mr. Chandrasekaran Prabhakaran (upto 21-01-2026) (Non-Executive Director)
f. Mr. Subrat Nayak (w.e.f. 22-01-2026) (Non-Executive Director)
g. Mr. Dilip Kapurchand Pugaria (Non-Executive Director)
h. Mr. Jayant Suryakant Padgilwar (Non-Executive Director)

III. Other Related Parties (Includes entities controlled by/under significant influence of Promoter Group/Relatives of Promoter Group and entities in which Directors/ relatives of directors have significant influence/control)
a. Jindal Steel Power Limited
b. JSW Cement Limited
c. JSW Energy Limited
d. JSW Global Business Solutions Limited
e. JSW IP Holdings Private Limited
f. JSW One Distribution Limited
g. JSW Vijayanagar Metallics Limited
h. JSW Shakti Foundation
i. Bhushan Power and Steel Limited
j. JSW Realty and Infrastructure Ltd
k. JSW Paints Ltd

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NEOTREX STEEL LIMITED

38. Related party disclosures

A. Transaction with related parties for the year ended

(Amount in ₹ lakhs)

Particulars	Parent Company		Other related parties	
	For the year ended 31 March 2026	For the year ended 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of Goods / Services				
JSW Steel Limted	42,214.05	57,967.84	-	-
JSW Cement Limited	-	-	1.11	7.73
JSW Paints Limited	-	-	26.19	29.76
JSW Energy Limited	-	-	1,902.08	2,394.56
JSW Global Business Solutions Limited	-	-	63.45	69.81
JSW IP Holdings Private Limited	-	-	44.52	68.39
JSW Shakti Foundation	-	-	-	1.79
Bhushan Power and Steel Limited	-	-	-	2.08
JSW Realty and Infrastructure Ltd	-	-	9.20	0.18
JSW Vijayanagar Metallics Limited	-	-	92.95	-
Total	**42,214.05**	**57,967.84**	**2,139.51**	**2,574.29**
Sale of Goods				
JSW Steel Limted	1,096.18	664.54	-	-
JSW One Distribution Limited	-	-	298.55	296.26
JSW Vijayanagar Metallics Limited	-	-	-	19.21
Total	**1,096.18**	**664.54**	**298.55**	**315.47**
Advances received from customers				
JSW Vijayanagar Metallics Limited	-	-	0.33	-
Total	-	-	**0.33**	-
Inter corporate loan taken				
JSW Steel Limted	17,014.83	700.00	-	-
Total	**17,014.83**	**700.00**	-	-
Interest Expenses				
JSW Steel Limted	197.80	42.85	-	-
Total	**197.80**	**42.85**	-	-
Interest Income				
JSW Energy Limted	-	-	30.00	31.21
Total	-	-	**30.00**	**31.21**
Lease rentals				
JSW Steel Limted	0.26	0.26	-	-
Total	**0.26**	**0.26**	-	-
Dividend Income				
JSW Energy Limited	-	-	1.44	1.44
Total	-	-	**1.44**	**1.44**

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NEOTREX STEEL LIMITED

38. Related party disclosures

B. Amount due to/from related parties

(Amount in ₹ lakhs)

Particulars	Parent Company		Other related parties	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Trade / Capex Payables				
JSW Steel Limted	18,996.78	14,384.08	-	-
JSW Cement Limited	-	-	-	14.50
JSW Energy Limited	-	-	742.27	399.96
JSW Global Business Solutions Limited	-	-	25.85	61.28
JSW IP Holdings Private Limited	-	-	13.15	66.34
JSW Realty and Infrastructure Ltd	-	-	0.69	0.06
JSW Paints Private Limited	-	-	5.22	-
JSW Vijayanagar Metallics Limited	-	-	83.66	-
Total	**18,996.78**	**14,384.08**	**870.85**	**542.14**
Discounts / Rebate Receivable				
JSW Steel Limted	663.75	1,591.00	-	-
Total	**663.75**	**1,591.00**	-	-
Other Receivable				
JSW Steel Limted	103.83	103.83	-	-
Total	**103.83**	**103.83**	-	-
Trade Receivable				
JSW Steel Limted	86.03	21.34	-	-
JSW One Distribution Limited	-	-	94.58	0.03
JSW Vijayanagar Metallics Limited	-	-	-	18.88
Total	**86.03**	**21.34**	**94.58**	**18.91**
Advances received from customers				
JSW Vijayanagar Metallics Limited	-	-	0.33	-
Total	-	-	**0.33**	-
Advances given to suppliers				
Jindal Steel Power Limited	-	-	0.56	0.56
Total	-	-	**0.56**	**0.56**
Inter corporate loan				
JSW Steel Limted	17,914.83	900.00	-	-
Total	**17,914.83**	**900.00**	-	-
Interest payable on loans				
JSW Steel Limted	239.40	61.21	-	-
Total	**239.40**	**61.21**	-	-
Interest receivable on Security deposits				
JSW Energy Limited	-	-	27.00	-
Total	-	-	**27.00**	-
Security Deposits Given				
JSW Steel Limted	77.70	77.70	-	-
JSW Energy Limited	-	-	300.00	300.00
Total	**77.70**	**77.70**	**300.00**	**300.00**

Notes:

1. The transactions are inclusive of taxes wherever applicable.
2. The transactions are disclosed under various relationships (i.e. holding and other related parties) based on the status of related parties on the date of transactions.
3. The Company gives or receives trade advances during normal course of business. The transactions against those trade advances are part of above-mentioned purchases or sales and accordingly, such trade advances have not been shown separately.

Notes:

The Independent Directors are paid remuneration by way of sitting fees. The Company pays sitting fees at the rate of Rs. 20,000 for meeting of the Board and Rs. 10,000 each for Audit and other committee meetings attended by them. The amount paid to them by way of sitting fees during current year is Rs. 2.40 Lakhs (March 31. 2025 - 2 Lakhs), which is not included above

Terms and conditions

Sales:

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Sales transactions are based on prevailing price lists and memorandum of understanding signed with related parties. For the year ended 31 March 2026 & 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

Purchases:

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions and in the ordinary course of business. Purchase transactions are based on made on normal commercial terms and conditions and market rates.

Lease:

Company has taken lease hold land from related party by giving a security deposit equivalent to guideline market value and nominal lease rents which represents its arms length price in the ordinary course of business

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NEOTREX STEEL LIMITED

39. Employee benefits

a) Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

b) Defined benefit plans

The Company has unfunded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58 and 60, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

The plans in India typically expose the Company to actuarial risks such as: longevity risk and salary risk.

Longevity risk:	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March 2026 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(Amount in ₹ lakhs)

Provisions	Non Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Employee benefits:				
Provision for accumulating paid absences	12.19	7.33	2.13	0.35
Provision for Gratuity (Unfunded)	19.54	9.03	0.14	0.01
Total	**31.73**	**16.36**	**2.27**	**0.36**

Employee benefits:	As at 31 March 2026	As at 31 March 2025
Disclosure as per IND AS-19 - Employees benefits are categorised as follows:		
A. Defined Contribution Plans:		
Company's contribution to provident fund and pension fund (included in note 30)	16.22	17.94
B. Defined Benefit Plans:		
i) Gratuity		
a) Liability recognised in Balance Sheet		
i) Present value of obligation		
Opening balance	9.04	5.55
Interest Cost	0.90	0.40
Current service cost	5.59	3.75
Past service cost	7.28	-
Actuarial (gain)/loss on obligation	(3.13)	(0.66)
Closing Balance	**19.68**	**9.04**
Less:		
ii) Fair value of plan assets		
Closing Balance	-	-
Net Liability/(Asset) recognised in Balance Sheet	**19.68**	**9.04**
b) Expenses during the year		
Service Cost	12.87	3.75
Interest Cost	0.90	0.40
Component of defined benefit cost recognised in statement of profit and loss	**13.77**	**4.15**
Remeasurement of net defined benefit liability		
- Actuarial (gain)/loss on defined benefit obligation	(3.13)	(0.66)
- Return on plan assets (excluding interest income)	-	-
Component of defined benefit cost recognised in Other Comprehensive Income	**(3.13)**	**(0.66)**

c) Principal actuarial assumptions :

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	7.24%	6.85%
Expected rate(s) of salary increase	6.66%	6.00%
Expected return on plan assets	NA	NA
Attrition rate	8.00%	4.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

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NEOTREX STEEL LIMITED

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Notes to the financial statements for the year ended 31 March 2026 (continued)

d) Sensitivity Analysis:

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.85)	2.19	(1.23)	1.52
Future salary growth (1% movement)	2.18	(1.88)	1.52	(1.25)
Employee turnover (1% movement)	(0.29)	0.28	(0.13)	0.11

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

e) Maturity analysis of projected benefit obligation:

(Amount in ₹ lakhs)

Particulars	Less than a year	Between 1 to 5 years	Over 5 years	Total
As at 31 March, 2026				
Projected benefit payable	0.14	5.80	44.92	50.86
As at 31 March, 2025				
Projected benefit payable	0.01	1.25	30.54	31.80

Notes:

1. The average duration of the defined benefit plan obligation at the end of the reporting period is 7 years (31 March 2025: 7 years)
2. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

f) Experience adjustments::

Particulars	2025-26	2024-25	2023-24	2022-23	2021-2022
Defined benefit obligation	19.68	9.04	5.55	2.31	0.06
Plan assets	-	-	-	-	-
Surplus / (deficit)	19.68	9.04	5.55	2.31	0.06
Experience adjustments on plan liabilities -Loss/(gain)	(3.13)	(0.66)	-	-	-
Experience adjustments on plan assets -Gain/(loss)	-	-	-	-	-

Other long term benefits:

Compensated Absences

Under the compensated absences plan, leave encashment is payable to certain eligible employees on separation from the company due to death,retirement,superannuation or resignation. Employees are entitled to encash leave while serving the company at the rate of daily salary, as per current accumulation of leave days. The company also has leave policy for certain employees to compulsorily encash unavailed leave on 31st December every year at the current basic salary.

Employee Benefits – Impact of New Labour Codes

Incremental long-term employee benefit liabilities (such as Gratuity and Leave Encashment) arising from the structural definition of "Wages" under the newly implemented Labour Codes are treated as a Plan Amendment in accordance with Ind AS 19. These are recognized immediately as Past Service Costs in the Statement of Profit and Loss in the period of implementation.

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NEOTREX STEEL LIMITED

40. Financial ratios

Particulars	Methodology	For the year ended 31 March 2026 (a)	For the year ended 31 March 2025 (b)	%Variance c=(a-b)/b	Reason for the variance (if >25%) (d)
Current ratio (In times)	(Current Assets/Current Liablities)	0.63	0.70	(10%)	
Debt - Equity ratio (In times)	(Total Debt/Shareholders Equity)	1.88	1.76	7%	
Debt service coverage ratio (In times)	Profit before Tax, Depreciation, Net Finance Charges / Net Finance Charges + Long Term Borrowings scheduled 'principal repayments (excluding prepayments/ refinancing) 'during the year Note : (Net Finance Charges : Finance Costs - Interest Income - Net Gain /(Loss) on sale of current investments	0.30	0.43	(31%)	Decrease is on account of increase in debt service during the year on account of increase in borrowings
Return on equity (%)	(PAT / Average shareholders Equity)	(19.04%)	(9.90%)	92%	Due to lesser selling price, higher raw material cost and low volume
Inventory turnover (no. of days)	Average inventory / (Cost of materials consumed + Purchases of stockin - trade + Changes in inventories + Other expenses - Carriage & Freight - Rates & Taxes)	49	33	47%	Increase is on account of increase in average inventory in current year
Trade receivables turnover (no. of days)	(Average Accounts Receivables / Net Credit Sales)	44	26	67%	Increase is on account of increase in trade receivables in current year
Trade payables turnover (no. of days)	Average trade payables / (Cost of materials consumed + Changes in inventories + Other Expense)	152	85	80%	Increase is on account of increase in trade payables in current year
Net capital turnover (In times)	(Net sales / Working Capital)	(5.45)	(8.18)	(33%)	Decrease is primarily on account of decrease in current assets
Net profit margin (%)	(Profit after tax / Revenue from operations)	(4.45%)	(2.20%)	103%	Decrease is on account of loss during current year
Return on capital employed (%)	(Profit before tax and finance cost / Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.05%	2.87%	(98%)	Decrease is on account of loss during the current year
Return on investment (%)	(Profit on sale of investment / Cost of investments)	NA	NA	NA	

Borrowings excludes lease liabilities

Neotrex Steel Limited
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Notes to the financial statements for the year ended 31 March 2026 (continued)

41 Financial Instruments

Financial Instruments - Capital risk management

The Company's objective in managing capital is to ensure its ability to continue as a going concern, maintain financial flexibility and support its strategic and operational objectives. The Company seeks to maintain an appropriate balance between debt and equity while ensuring sufficient liquidity to meet its financial obligations and funding requirements.

The Company regularly reviews its capital structure considering prevailing business conditions, operating performance, cash flow generation, capital expenditure plans and debt repayment obligations. Management continues to focus on strengthening liquidity, optimizing working capital and enhancing operational efficiencies to support sustainable value creation over the long term.

The Company monitors capital using gearing ratio and other relevant financial indicators. Net debt is calculated as total borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents, and current investments.

(Amount in ₹ lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Long term borrowings	17,914.83	16,227.57
Short term borrowings	-	4,209.61
Less: Cash and cash equivalents	(317.18)	(256.37)
Less: Bank balances other than cash and cash equivalents	-	(314.21)
Net debt	**17,597.66**	**19,866.61**
Total equity	**9,552.60**	**11,611.57**
Gearing ratio	**1.84**	**1.71**

i. Equity includes equity share capital, Intruments entire in equity nature and other equity

ii Debt is defined as long and short term borrowings as described in note 15 and 19

Financial Instruments - Classifications

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Financial assets

(Amount in ₹ lakhs)

Particulars	Carrying amount	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value
As at 31 March 2026					
Investments	339.55	-	339.55	-	339.55
Trade receivables	7,074.23	7,074.23	-	-	7,074.23
Cash and cash equivalents	317.18	317.18	-	-	317.18
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other financial assets	3,214.29	3,214.29	-	-	3,214.29
	10,945.24	**10,605.69**	**339.55**	**-**	**10,945.24**
As at 31 March 2025					
Investments	387.29	-	387.29	-	387.29
Trade receivables	3,578.43	3,578.43	-	-	3,578.43
Cash and cash equivalents	256.37	256.37	-	-	256.37
Bank balances other than cash and cash equivalents	314.21	314.21	-	-	314.21
Other financial assets	4,128.92	4,128.92	-	-	4,128.92
	8,665.22	**8,277.93**	**387.29**	**-**	**8,665.22**

Financial liabilities

(Amount in ₹ lakhs)

Particulars	Carrying amount	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value
As at 31 March 2026					
Borrowings #	17,914.83	17,914.83	-	-	17,914.83
Lease liabilities	1.63	1.63	-	-	1.63
Trade payables	20,172.04	20,172.04	-	-	20,172.04
Other financial liabilities	1,087.17	1,087.17	-	-	1,087.17
	39,175.66	**39,175.66**	**-**	**-**	**39,175.66**
As at 31 March 2025					
Borrowings #	20,437.18	20,437.18	-	-	20,437.18
Lease liabilities	1.73	1.73	-	-	1.73
Trade payables	16,148.92	16,148.92	-	-	16,148.92
Other financial liabilities	1,045.74	1,045.74	-	-	1,045.74
	37,633.57	**37,633.57**	**-**	**-**	**37,633.57**

Fair value hierarchy of financial instruments

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and other financial liabilities (other than those specifically disclosed) are considered to be the same as their fair values, due to their short term nature.

Some of the Company's financial assets are measured at fair value at the end of each reporting period.

(Amount in ₹ lakhs)

Details of Financial assets/ liabilities measured at amortised cost but fair value disclosed in category wise

Particulars		As at 31 March 2026	As at 31 March 2025	Level	Valuation techniques and key inputs
Quoted investments in equity shares measured at FVTOCI		339.55	387.29	1	Quoted bid prices in an active market
Long Term Borrowings #	Carrying value	17,914.83	20,437.18	2	Discounted cash flow on observable Future cash flows are based on terms of borrowings discounted at a rate that reflects market risks
	Fair value	17,914.83	20,437.18		

There have been no transfers between Level 1 and Level 2 during the period

includes current maturities of long term borrowings

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NEOTREX STEEL LIMITED

42. Financial Instruments: Financial risk management

The Company's Board of Directors has overall responsibility for establishing and overseeing the Company's risk management framework. The risk management framework is designed to identify, assess, monitor and manage risks that may affect the achievement of the Company's strategic, operational and financial objectives.
The Company's risk management policies and procedures provide for the timely identification and evaluation of risks, determination of appropriate risk tolerance levels, implementation of control measures and ongoing monitoring of risk exposures. These policies are reviewed periodically to ensure their continued relevance in light of changes in business operations, market conditions and the regulatory environment.
Management regularly monitors the effectiveness of the risk management framework and reports significant risk exposures and mitigation measures to the Board of Directors. The objective of the framework is to minimize the potential adverse impact of risks on the Company's financial performance, cash flows, liquidity and capital position.
In the current business environment, the Company continues to focus on preserving liquidity, optimizing working capital, maintaining adequate funding arrangements and strengthening internal controls to support business continuity and long-term sustainability.
The Company is exposed to the following financial risks arising from its financial instruments
- Liquidity risk
- Market risk
- Credit risk

(A) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its financial obligations as they become due. Such risk may arise from mismatches in the timing of cash flows, adverse business conditions, limited access to funding sources or other factors affecting the availability of liquid resources.
The Company's liquidity requirements primarily relate to funding its operating activities, servicing borrowings, meeting contractual obligations and financing capital expenditure. The Company manages liquidity risk through regular monitoring of cash flows, maintenance of adequate cash and cash equivalents, effective working capital management and access to available banking and financing facilities.
Management continuously monitors projected and actual cash flows and assesses funding requirements on an ongoing basis. The Company seeks to maintain sufficient liquidity to meet its short-term and long-term obligations while optimizing the cost of funding. Liquidity risk is further managed by monitoring the maturity profiles of financial assets and financial liabilities and by maintaining an appropriate mix of funding sources.
The following tables present the contractual maturity profile of the Company's non-derivative financial liabilities and financial assets. The disclosures have been prepared based on undiscounted cash flows and represent the earliest date on which the Company may be required to settle the respective obligations. The amounts disclosed for financial liabilities include both principal and contractual interest cash flows, where applicable.

(i) Maturities of financial assets

The tables below analyse the Company's financial assets into relevant maturity groupings based on their contractual maturities for:

As at 31 March 2026 (Amount in ₹ lakhs)

Particulars	Carrying Amount	< 1 year	1-5 years	More than 5 years	Total
Investments	339.55	-	-	339.55	339.55
Trade receivables	7,074.23	7,074.23	-	-	7,074.23
Cash and cash equivalents	317.18	317.18	-	-	317.18
Bank balances other than cash and cash equivalents	-	-	-	-	-
Other financial assets	3,214.29	2,423.22	457.85	333.22	3,214.29
Total	**10,945.24**	**9,814.62**	**457.85**	**672.77**	**10,945.24**

As at 31 March 2025 (Amount in ₹ lakhs)

Particulars	Carrying Amount	< 1 year	1-5 years	More than 5 years	Total
Investments	387.29	-	-	387.29	387.29
Trade receivables	3,578.43	3,578.43	-	-	3,578.43
Cash and cash equivalents	256.37	256.37	-	-	256.37
Bank balances other than cash and cash equivalents	314.21	314.21	-	-	314.21
Other financial assets	4,128.92	3,368.34	430.04	330.55	4,128.92
Total	**8,665.22**	**7,517.34**	**430.04**	**717.84**	**8,665.22**

(ii) Maturities of financial Liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

As at 31 March 2026 (Amount in ₹ lakhs)

Particulars	< 1 year	1-5 years	More than 5 years	Total
Borrowings	-	-	-	-
Inter corporate deposit	-	-	17,914.83	17,914.83
Trade payable	20,172.04	-	-	20,172.04
Other financial liabilities	847.77	-	-	847.77
Lease liabilities	0.26	1.02	0.35	1.63
Total	**21,020.06**	**1.02**	**17,915.19**	**38,936.27**
Interest payout liability	-	-	-	-

As at 31 March 2025 (Amount in ₹ lakhs)

Particulars	< 1 year	1-5 years	More than 5 years	Total
Borrowings	3,144.00	12,576.00	3,918.31	19,638.31
Inter corporate deposit	-	-	-	-
Trade payable	16,148.92	-	-	16,148.92
Other financial liabilities	1,045.74	-	-	1,045.74
Lease liabilities	0.26	1.02	0.45	1.73
Total	**20,338.91**	**12,577.02**	**3,918.76**	**36,834.70**
Interest payout liability	1,700.13	3,908.05	244.78	5,852.97

The amounts disclosed in the table are the contractual undiscounted cash flows.

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NEOTREX STEEL LIMITED

42. Financial Instruments: Financial risk management

(B) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

(i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the EURO GBP. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Net exposure to foreign currency risk
March 31, 2026

(Amount in lakhs)

Particulars	USD	₹	GBP	₹	EURO	₹	Total ₹
Advances	-	-	-	-	0.09	8.76	8.76
Payables	(0.30)	(28.35)	-	-	(0.15)	(13.49)	(41.84)
	(0.30)	**(28.35)**	-	-	**(0.06)**	**(4.73)**	**(33.09)**

Net exposure to foreign currency risk
March 31, 2025

(Amount in lakhs)

Particulars	USD	₹	GBP	₹	EURO	₹	Total ₹
Advances	0.95	81.31	-	-	0.31	27.86	109.17
Payables	-	-	(0.21)	(23.67)	(0.15)	(13.43)	(37.10)
	0.95	**81.31**	**(0.21)**	**(23.67)**	**0.16**	**14.43**	**72.07**

Sensitivity Analysis :
Sensitivity of profit on a possible change in foreign exchange rates of +/-5%

(Amount in ₹ lakhs)

Particulars	Impact on Profit or Loss March 31, 2026	Impact on Profit or Loss March 31, 2025
Foreign exchange rate increased by 5%	(2.09)	(1.86)
Foreign exchange rate decreased by 5%	2.09	1.86

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with mix of fixed and floating rates of interest.

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(Amount in ₹ lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Fixed rate borrowings	-	900.00
Floating rate borrowings	17,914.83	19,638.31
Less: Upfront fees	-	(101.13)
Total borrowings (refer note 15 & 19)	**17,914.83**	**20,437.18**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, after the impact of hedge accounting, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2026 would decrease / increase by Rs. 179.15 lakhs (for the year ended 31 March 2025: decrease / increase by Rs. Rs. 196.38 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

(iii) Commodity price risk

The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its steel products. Market forces generally determine prices for the steel products sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its steel products.

The Company is subject to fluctuations in prices for the purchase of wire rod coil, dies, chemicals & other raw material inputs. The Company purchased primarily all of its wire rod coil and other input requirements at prevailing market rates during the year ended 31 March 2026

The Company aims to sell the products at prevailing market prices. Similarly, the Company procures key raw materials like wire rod coil based on prevailing market rates as the selling prices of steel prices and the prices of input raw materials move in the same direction.

(iv) Equity price risk

The Company is exposed to equity price risk arising from equity investments.

Equity price sensitivity analysis:
The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.
If equity prices of the investments increase / decrease by 5%, other comprehensive income for the year ended 31 March 2026 would increase/ decrease by Rs.16.98 Lakhs (31 March 2025: Rs. 19.36 Lakhs).

(C) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets, financial guarantees and derivative financial instruments.

Moreover, given the diverse nature of the Company's business trade receivables are spread over a number of customers with no significant concentration of credit risk. Only a single customer accounted for 10% or more of the trade receivables in any of the years presented. The history of trade receivables shows that collections are received with in due dates. Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties. The assessment is carried out considering the segment of customer, impact seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable. Basis this assessment, the Company believes no allowance for doubtful trade recievable is required as on 31 March, 2026.

The carrying value of financial assets represents the maximum credit risk as at 31 March 2026 and 31 March 2025.

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Mumbai

NEOTREX STEEL LIMITED

43. Segment reporting

The Company is in the business of manufacturing steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker ('CODM') for assessment of Company's performance and resource allocation. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below

a) Revenue from operations

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Domestic	44,071.45	54,317.79
Export	1,153.70	653.78
Total	**45,225.15**	**54,971.57**

b) Non current assets

All non-current assets of the Company are located in India.

c) Customer contributing more than 10% of Revenue

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Larsen & Toubro Limited	7,020.03	13,983.18
Total	**7,020.03**	**13,983.18**

44 Events occurring after balance sheet

The Company performed a review of events subsequent to the balance sheet date through the date the financial statements were issued and determined that there were no such events requiring recognition or disclosure in the financial statements.

45. Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(iii) Compliance with number of layers of companies

The Company do not have any subsidiary as at the balance sheet date, accordingly compliance with section 2(89) of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 does not arise.

(iv) Utilisation of borrowed funds and share premium

(1) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(2) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Presently no quarterly returns or statements of fund utilisation need to be filed by the Company with banks or financial institutions.

(v) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vi) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Title deeds of immovable properties not held in name of the company

The company does not hold any immovable property.

(viii) Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(ix) Relationship with Struck off Companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

46 The Company has been maintaining its books of accounts in the SAP which has feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, throughout the year as required by proviso to sub rule (1) of rule 3 of The Companies (Accounts) Rules, 2014 known as the Companies (Accounts) Amendment Rules, 2021.

Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

For and on behalf of the Board of Directors

Lokendra Raj Singh	**Amit Agarwal**
Director	Director
DIN: 10573891	DIN: 09204911
Place : Toranagallu	Place : Toranagallu
Date: 28 April 2026	Date: 28 April 2026

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Deloitte Haskins & Sells LLP Chartered Accountant ★ Mumbai ★

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