Modern Steels Limited

CORPORATE OFFICE : 98-99, SUB CITY CENTRE, SECTOR 34, CHANDIGARH - 160 022 (INDIA)
Tel : +91-172-2609001, 2609002, FAX : +91-172-2609000
E-mail : info@modernsteels.com, CIN : L27109PB1973PLC003358

Ref: MSL/SECT/BSE
Date: 31st August, 2026

M/s. BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

Subject: Annual Report of the Company along with Notice of 52nd Annual General Meeting (AGM)

Dear Sir,

Pursuant to relevant Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for Financial Year 2025-26 along with Notice of the 52nd Annual General Meeting of the Company to be held on Saturday, the 26th September, 2026.

The schedule of the events is set as below:

S. No.	Event	Date
1.	Relevant/Cut-off date to vote on AGM resolution	19th September, 2026
2.	Commencement of e-voting	23rd September, 2026 (9:00 AM)
3.	End of e-voting	25th September, 2026 (5:00 PM)
4.	Annual General Meeting	26th September, 2026 (02:00 PM)

Please take the above on your record.

Thanking you

Yours truly,
For **MODERN STEELS LIMITED**

Ananya Modi
Digitally signed by Ananya Modi
Date: 2026.08.31 14:30:41 +05'30'

MODERN STEELS LIMITED SCO 98-99 SECTOR 34 CHANDIGARH

COMPANY SECRETARY

NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the members of Modern Steels Limited will be held on Saturday, the 26th September, 2026 at 02:00 p.m. through Video Conferencing / Other Audio Visual Means to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 together with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Krishan Kumar Goyal (DIN: 00482035), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To appoint Statutory Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to provisions of Section 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the rules framed thereunder, as amended from time to time, M/s Sanjeev Sharma & Associates, Chartered Accountants (Registration No.12326N), be and are hereby appointed as Statutory Auditors of the Company for a period of one year, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2027 at a remuneration comprises of Rs. 2,00,000/- (Rupees Two Lakhs only) as Statutory Audit Fee and Rs. 50,000/- (Fifty Thousand only) for Tax Audit Fee and GST Returns, total amounting to Rs. 2,50,000/- per annum (Two Lakh Fifty Thousand only).

   RESOLVED FURTHER THAT the Board of Directors or Company Secretary or Authorised Signatory of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS:

4. To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 200 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals as may be required, approval of the members be and is hereby accorded to re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, liable to retire by rotation, from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in year 2031, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting and as approved by the Nomination & Remuneration Committee, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination & Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and remuneration as it may deem fit and as may be acceptable to Mr. Krishan Kumar Goyal, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

   RESOLVED FURTHER THAT any Director and/or the Company Secretary or Authorised Signatory of the company be and are hereby authorised to do all acts including filings and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
5. Appointment of Dr. Surinder Kumar (DIN: 11032078) as a Non-Executive Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Surinder Kumar (DIN: 11032078), who was appointed as a Non-Executive Independent Director (Additional Director) of the Company by the Board of Directors with effect from 11th August, 2026 pursuant to the provisions of Section 149(6)and 161(1) and other applicable provisions of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for Five (5) Consecutive Years till the conclusion of AGM to be held in the year 2031.

   RESOLVED FURTHER THAT any Director and/or the Company Secretary or Authorised Signatory of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto".

6. To re-appoint Prof. Anupama Sharma (DIN: 10306038) as a Non-Executive Independent Director for a second term and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Prof. Anupama Sharma (DIN: 10306038), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five (5) Consecutive Years on the Board of the Company from the conclusion of the 52nd Annual General Meeting (2026) till the conclusion of the Annual General Meeting to be held in the year 2031 of the Company.

RESOLVED FURTHER THAT any Director and/or the Company Secretary or Authorised Signatory of the Company be and are hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

By order of the Board of Directors
For Modern Steels Limited

Ananya Modi
Company Secretary

Place: Chandigarh
Dated: 11th August, 2026

Registered Office:
G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com
Website: www.modernsteels.com
Phone: (0172) 2609001/2, **Fax**: (0172) 2609000

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the Special Business to be transacted at the 52nd Annual General Meeting (AGM) under Item No. 3 to 6 of the Notice, is annexed hereto.
2. Pursuant to the General Circular No. 03/2025 dated 22nd September 2025 and General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Af-fairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (“SEBI Circular”) and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.
3. Pursuant to various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-Voting system as well as on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.modernsteels.com. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with various earlier Circulars with effect from 2020 and General Circular No. 09/2024 on September 19, 2024.
9. Corporate members intending to send their authorized representatives to attend the Meeting through VC/ OAVM are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
10. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is annexed hereto.
11. Members who wish to obtain any information about the Company or view the Accounts for the financial year ended 31st March, 2026, may send their queries at least 10 days before the Annual General Meeting at Company's Corporate Office at SCO 98-99, Sub-City Centre, Sector 34, Chandigarh- 160022.
12. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2026 to 26th September, 2026 (both days inclusive).
13. For members who hold shares in physical form, the Securities and Exchange Board of India ("SEBI"), vide its Master Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024 read with SEBI/HO/MIRSD/POD1/P/CIR/2024/81 dated 10th June 2024, as amended from time to time, has mandated furnishing of PAN linked with Aadhaar and KYC details (i.e. e-mail address, postal address with PIN code, mobile number, bank account details, PAN details linked with Aadhaar etc.). In case any of the aforesaid documents/ details are not available in the record of the Company/ Registrar and Share Transfer Agent ("RTA"), the member shall not be eligible to lodge grievance or avail any service request from the RTA until they furnish complete KYC details/ documents.

    Further, Members who holds shares in electronic form are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, etc. to their Depository Participant.
14. Members are requested to note that SEBI vide its Circular dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate share certificate, claim from unclaimed suspense account; renewal/ exchange of share certificate; endorsement; sub division/ splitting of share certificates; consolidation of share certificates/ folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4.
15. In terms of SEBI notification dated 25th of June, 2022, SEBI has mandated that all requests for transfer of securities including transmission and transposition be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
16. As per Section 72 of the Act, SEBI Circulars in this regard, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.modernsteels.com and from the website of Company's Registrar and Transfer Agents at www.mcsregistrars.com. Members are requested to submit the said details to their DPs in case the shares are held by them in the dematerialized form and the Company's RTA in case the shares are held in physical form.
17. As per the provisions of the Companies Act, 2013 and the rules made thereunder and the Regulation 36(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled in 'E-Communication Registration Form' attached at the end of this report with MCS Share Transfer Agent Limited. The members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only. Even after registering for e-communication, the Shareholders of the Company are entitled to receive such communication in physical form, upon request.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA.

19. Soft copy of the Annual Report for the financial year 2025-26 is being sent to all the members, whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes.

    Pursuant to MCA General Circular No. 19/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the physical copies of the Annual Report for the financial year 2025-26 is not being sent to the members.

20. Soft copy of the Notice of the 52nd Annual General Meeting of the Company, interalia, indicating the process and manner of remote e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes.

    Pursuant to MCA General Circular No. 09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the physical copies of the Notice of 52nd Annual General Meeting of the company are not being sent to the members.

21. Members may also note that the Notice of the 52nd Annual General Meeting and the Annual Report for the financial year 2025-26 will also be available on the Company's website www.modernsteels.com for their download.

    For any communication, the members may also send requests at email ID: secretarial@modernsteels.com

22. Procedure for "Remote E-Voting" pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolutions proposed to be considered at the 52nd Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

23. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

24. As s per SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, a Special Window has been opened to facilitate the transfer and dematerialization of physical shares that were sold/purchased prior to April 1, 2019, as well as to address share transfer requests that were rejected, returned, or not attended to due to deficiencies in documents, process, or otherwise. The Special Window will remain open till February 4, 2027. Shareholders are requested to check their eligibility for the Special Window.

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

The remote e-voting period begins on 23rd September, 2026 at 09:00 A.M. and ends on 25th September, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 19th September, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 19th September, 2026.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800-21-09911

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

How to Login to NSDL e-Voting website?

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

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

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

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

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

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

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

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at secretarial@modernsteels.com. The same will be replied by the company suitably.

25. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
26. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. 19th September, 2026.
27. Mr. Rajeev Kumar Sanger, Practising Company Secretary (Membership No. F13092) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
28. The scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in the favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
29. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.modernsteels.com and on the website of NSDL and communicated to the BSE Limited.
30. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection, at the Registered Office of the Company, during normal business hours (9:00 AM to 5:00 PM) on all working days (except on public holidays), upto the date of the Annual General Meeting.

By order of the Board of Directors
For Modern Steels Limited

Place: Chandigarh — Ananya Modi
Dated: 11th August, 2026 — Company Secretary

Registered Office:
G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com
Website: www.modernsteels.com
Phone: (0172) 2609001/2, **Fax**: (0172) 2609000

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

ITEM NO. 3

Pursuant to the provisions of Section 139 of the Act read with the Rules made thereunder, the Members of the Company at the 50th Annual General Meeting held on 27th September, 2024, had re-appointed M/s A P T & Co LLP, Chartered Accountants (Registration No. 014621C/N500088) as the Statutory Auditors of the Company for a second term of two years to hold office from the conclusion of the 50th Annual General Meeting till the conclusion of the 52nd Annual General Meeting to be held in 2026.

The Board of Directors of the Company, at its meeting held on 11th August, 2026 based on the recommendation of the Audit Committee, has proposed the appointment of M/s. Sanjeev Sharma & Associates, Chartered Accountants (Registration No.12326N), as Statutory Auditors of the Company in place of M/s A P T & Co LLP, for a term of one year, commencing from the conclusion of the 52nd Annual General Meeting till the conclusion of the 53rd Annual General Meeting, on such remuneration as may be decided by the Board of Directors on the recommendation of the Audit Committee.

The Audit Committee and the Board of Directors, while recommending the appointment of M/s. Sanjeev Sharma & Associates as the Statutory Auditors of the Company, have evaluated various factors, including their independence, eligibility and qualifications, professional credentials, industry expertise, and experience in auditing companies of similar scale and complexity.

M/s. Sanjeev Sharma & Associates, Chartered Accountants (FRN 12326N), established in 1993, is registered with ICAI, C&AG, and RBI. The firm provides statutory, concurrent, revenue, stock, and internal audits, GST and income-tax advisory, accounting, and company-law compliance services, serving leading banks, government organizations, and corporate entities.

Pursuant to the provisions of Sections 139, 141 and other applicable provisions, if any, of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s Sanjeev Sharma & Associates has furnished its consent and eligibility certificate, including a valid Peer Review Certificate issued by the Peer Review Board of the ICAI, confirming that its appointment, if approved, shall be in compliance with all applicable legal and regulatory requirements.

The proposed remuneration payable to M/s Sanjeev Sharma & Associates for Statutory Audit services for the Financial Year 2026-27 is Rs. 2.5 Lakh (Rupees Two Lakh Fifty Thousand only). The proposed remuneration does not represent any material change from the remuneration paid to the outgoing auditors for the Financial Year 2025-26 and is commensurate with the nature, scope and complexity of the audit services.

The remuneration payable to the Statutory Auditors for the ensuing Financial Year of their term was determined by the Board of Directors, based on the recommendation of the Audit Committee and after due consultation with the Statutory Auditors.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relative(s), are in any way deemed to be concerned or interested (financially or otherwise), in the proposed Ordinary Resolution set out at Item No. 3 of the Notice.

ITEM NO. 4

Mr. Krishan Kumar Goyal is the Promoter Director of the Company. He is the Chairman and Managing Director of the Company w.e.f 1st April, 2023 till the ensuing Annual General Meeting for a period of three years. His salary w.e.f. 1st April, 2023 was Rs. 2,00,000/- (Rupees Two Lakhs only) plus perquisites, in terms of the applicable provisions of the Companies Act. The Board of Directors of the Company at its meeting held on 11th August, 2026, subject to the approval of the shareholders, has re-appointed Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company, liable to retire by rotation, from this Annual General Meeting till the conclusion of Annual General Meeting to be held in 2031 on terms and conditions including remuneration as recommended by the Nomination & Remuneration Committee of the Board and approved by the Board. It is proposed to seek the members' approval for the reappointment and remuneration payable to Mr. Krishan Kumar Goyal as Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act. The Board of Directors along with approving appointment of Mr. Krishan Kumar Goyal had also approved remuneration by way of salary and perquisites for a period of three years from the date of appointment as given herein below.

TERMS & CONDITIONS:-

1. **SALARY**

   Rs. 2,00,000/- (Rupees Two Lakhs) per month with such annual increments / increases as may be decided by the Board of Directors from time to time.

2. **PERQUISITES**

   (i) Accommodation: Free furnished residential accommodation with gas, electricity, water and furnishings, etc.

   (ii) Gratuity: Payable at the rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

   (iii) Leave: As per the rules of the Company but not exceeding one month's leave with full salary for every 11 months of service.

   (iv) Medical Reimbursement: Reimbursement of medical expenses incurred for self and family.

   (v) Personal Accident Insurance.

   (vi) Leave Travel Allowance: Leave travel allowance for self and family.

   (vii) Car: Free use of Company's car for official purposes as well as for personal purposes along with driver.

   (viii) Telephone: Telephone and other communication facilities at Company's cost.

   (ix) Insurance: Cost of insurance cover against the risk of any financial liability or loss because of any error of judgment, as may be approved by the Board of Directors from time to time.

   (x) Reimbursement of Expenses: Reimbursement of all expenses incurred by Mr. Goyal during the course of and in connection with the business of the Company.

   (xi) Others: Subject to any statutory ceilings, Mr. Krishan Kumar Goyal may be given any other allowances, perquisites and facilities as the Board of Directors may decide from time to time. The terms and conditions can be varied with mutual agreement of both parties subject however to the stipulation that the changes should be in conformity with the provisions of the Companies Act, 2013 read with Schedule V or any amendment thereof.

3. **MINIMUM REMUNERATION**

   In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Mr. Krishan Kumar Goyal shall, subject to the approval of the shareholders, be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in schedule V of the Companies Act, 2013, from time to time. Mr. Krishan Kumar Goyal is also Chairman & Managing Director of M/s. Modern Steels Limited. He is entitled to a salary of Rs. 2,00,000 (Rupees Two Lakhs Only) per month plus perquisites in that Company subject to the conformity with provisions of schedule V. Mr. Krishan Kumar Goyal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Krishan Kumar Goyal under Section 190 of the Act. Disclosures under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto.

Further, in terms of section 196 and Schedule V and other applicable provisions of the Companies Act, 2013, consent of the Members by way of Special Resolution is also required for appointment or continuation of employment of a Managerial Person beyond the age of seventy years. During the proposed term of appointment, Mr. Krishan Kumar Goyal will attain the age of Seventy years. This Special Resolution, once passed, shall also be deemed as your approval under the aforesaid Regulation, for continuation of Mr. Krishan Kumar Goyal as Managing Director of the Company beyond the age of seventy years. The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders. The Documents referred herewith and explanatory statement are open for inspection by any member at the registered office of the Company during business hours on any working day of the Company upto and including the date of meeting.

MEMORANDUM OF INTEREST

Mr. Krishan Kumar Goyal, Managing Director is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. The relatives of Mr. Krishan Kumar Goyal may be deemed to be interested in the resolution set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

ITEM NO. 5

The Board of Directors of the Company appointed Dr. Surinder Kumar (DIN: 11032078) as Additional Non Executive Independent Director of the Company not liable to retire by rotation w.e.f. 11th August, 2026 pursuant to the provisions of Section 161(1) and Section 149(6) of the Companies Act, 2013, and the rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Dr. Surinder Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Independent Director alongwith declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority of the Act. The Company has also received declaration from him that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, Dr. Surinder Kumar fulfills the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Disclosures under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are annexed hereto. Copy of the draft letter for appointment of Dr. Surinder Kumar as an Independent Director setting out the terms and conditions is available for inspection by Members at the Registered Office of the Company.

Details of Directors whose appointment as Independent Directors is proposed at Item No. 5 is provided in the “Annexure” to the Notice pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 5 of the Notice for appointment of Dr. Surinder Kumar as a Non-Executive Independent Director for a period of 5 consecutive years from 11th August, 2026 upto the conclusion of AGM to be held in year 2031.

None of the Directors or Key Managerial Personnel of the Company and their respective relatives, except Dr. Surinder Kumar to whom the resolution relates, is concerned or interested, financially or otherwise, in the Resolution set out at Item no. 5 of the notice.

ITEM NO. 6

Prof. Anupama Sharma (DIN: 10306038) was appointed as Independent Director on the Board of the Company at the Annual General Meeting of the company held on 27th September, 2023 pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 to hold office for a period of three consecutive years up to the date of 52nd Annual General Meeting (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Companies Act, 2013). The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended the re-appointment of Prof. Anupama Sharma (DIN: 10306038) for a second term of five (5) consecutive years on the Board of the Company. The Board based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that as per her background and experience and contributions made by her during her tenure, the continued association of Prof. Anupama Sharma would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint her as an Independent Director of the Company who shall not be liable to retire by rotation and to hold office for a second term of five (5) consecutive years upto the conclusion of the 57th Annual General Meeting to be held in 2031, on the Board of the Company in terms of Sections 149(10) and 149(11) of the Companies Act, 2013 and in accordance of other applicable laws.

The Company has received from Prof. Anupama Sharma:-

(i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014

(ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act,

(iii) A declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

(iv) Declaration pursuant to BSE Circular No. LIST/ COMP/14/2018-19 dated June 20, 2018, that she is not debarred from holding office of a Director by virtue of any Order passed by Securities and Exchange Board of India or any other such authority.

Details of Directors whose re-appointment as Independent Directors is proposed at Item No. 6 is provided in the "Annexure" to the Notice pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Prof. Anupama Sharma setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No. 6 of the Notice for re-appointment of Prof. Anupama Sharma as a Non-Executive Independent Director for a period of five (5) consecutive years from the conclusion of this Annual General meeting and upto the conclusion of AGM to be held in year 2031. The Board of Directors of the Company in its Board Meeting held on 11th August, 2026 has approved the above proposal and recommended passing of the proposed Special Resolutions as contained in Item no. 6 of the Notice, by members of the Company.

Except Prof. Anupama Sharma for herself and through her relatives to the extent of their shareholding, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are in anyway concerned or interested financially or otherwise in the aforesaid Resolutions

By order of the Board of Directors
For Modern Steels Limited

Place: Chandigarh — Ananya Modi
Dated: 11th August, 2026 — Company Secretary

Registered Office:
G.T. Road, Mandi Gobindgarh,
Distt. Fatehgarh Sahib, Punjab -147 301
CIN: L27109PB1973PLC003358
Email: secretarial@modernsteels.com
Website: www.modernsteels.com
Phone: (0172) 2609001/2, **Fax**: (0172) 2609000

INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT IN ANNUAL GENERAL MEETING FIXED ON SATURDAY, THE 26TH SEPTEMBER, 2026 AT 02:00 P.M. PURSUANT TO REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 2

Name of the Director	Mr. Krishan Kumar Goyal
DIN	00482035
Date of Birth	06th September, 1956
Category/Designation	Chairman and Managing Director
Date of Appointment/ Reappointment	02nd October, 1978 / 1st April, 2023
Resume and expertise in specific functional area	Mr. Krishan Kumar Goyal is energetic and dynamic person. He has a vast experience in the steel business and is well versed with the modern management practices. He joined the Board as Director in October, 1978 and has been the Managing Director of the Company since 1st July, 1986.
List of outside Directorships held	i) Modern Dairies Limited ii) Bharat Forgings Private Limited iii) Chandigarh Finance Private Limited
Chairman/Member of the Committee of the Board of Directors of the Company	NIL
Shareholding in the Company	Mr. Krishan Kumar Goyal is holding 36,85,429 equity shares in the Company.
Relationship with other Directors	Not Applicable

ITEM NO. 5

Name of the Director	Dr. Surinder Kumar
DIN	11032078
Date of Birth	23rd November, 1963
Date of Appointment/ Reappointment	11th August, 2026
Resume, Skills, capabilities and expertise in specific functional area	Dr. Surinder Kumar aged 62 years is M.Sc (Dairy Tech), Ph.D. (Dairy Technology) from NDRI Karnal and Lead Auditor, FSMS, ISO 22000. He has more than 35 years of experience in dairy development sector in the country in various capacities. He has more than 5 years of experience as Assistant Commissioner (Dairy Development) in Dept. of Animal Husbandry, Dairying & Fisheries, Min. of Agriculture, Govt. of India, Delhi. He is well versed in the Corporate Governance. He has more than one year of experience serving as an Independent Director on the Board of Directors of a company listed on the BSE.
List of outside Directorships held	Modern Dairies Limited
Chairman/Member of the Committee of the Board of Directors of the Company	NIL
Shareholding in the Company	NIL
Relationship with other Directors	Not Applicable

ITEM NO. 6

Name of the Director	Prof. Anupama Sharma
DIN	10306038
Date of Birth	10th April, 1972
Date of Appointment/ Reappointment	From the ensuing Annual General Meeting till the conclusion of Annual General Meeting to be held in 2031
Resume, Skills, capabilities and expertise in specific functional area	Prof. Anupama Sharma, Vice Chancellor, Madan Mohan Malaviya University of Technology, Gorakhpur and Former Chairperson, Dr. SSB University Institute of Chemical Engg. & Tech., Panjab University, Chandigarh. She was also Director, Energy Research Centre, Panjab University. She is among 2% top scientists in the World by Stanford Elsevier. She has more than 30 years of Teaching and Research experience. She has Delivered Keynote / Invited Lectures at more than 40 National/ International Conferences/ Seminars and also Guided 17 doctoral candidates and currently 8 in progress. Also supervised more than 60 M.Tech./M.Sc. scholars. She has Published Two Books by International Publishers (By McGraw Hill and Pearson Education) and More than 120 research papers in high impact, SCOPUS/ Web of Science Indexed International Journals.
List of outside Directorships held	NIL
Chairman/Member of the Committee of the Board of Directors of the Company	NIL
Shareholding in the Company	NIL
Relationship with other Directors	Not Applicable

MODERN STEELS LIMITED
CIN: L27109PB1973PLC003358
Registered Office: G.T. Road, Mandi Gobindgarh, Distt. Fatehgarh Sahib, Punjab 147301
Email: secretarial@modernsteels.com, Website: www.modernsteels.com
Phone: (0172) 2609001/2, **Fax:** (0172) 2609000

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear Shareholders,
In case you have not registered your email address for receiving communication from Company in electronic mode, you may submit the Registration Form given herein below to the Share Transfer Agent namely M/s. MCS Share Transfer Agent Limited, 179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase – 1 New Delhi – 110020 or to the Company at its office at Modern Steels Limited, S.C.O. 98-99, Sub City Centre, Sector 34, Chandigarh-160 022. Shareholders holding shares in demat mode are requested to register their email address with their Depository Participants:

E-COMMUNICATION REGISTRATION FORM

(As per the provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

Folio No. / DP ID & Client ID : ______________________________

Name of 1st Registered Holder : ______________________________

Name of Joint Holder(s) : ______________________________

____

____

Registered Address : ______________________________

____

____

E-mail ID (to be registered) : ______________________________

I/we shareholder(s) of Modern Steels Limited agree to receive communication from the Company in electronic mode.
Please register my/our above e-mail id in your records for sending communication through e-mail.

Signature: __________________

Date: ______________________

Note: Shareholder(s) are requested to keep the Company / Depository Participant informed as and when there is any change in the e-mail address.

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ANNUAL REPORT
2025-2026

MODERN STEELS LIMITED

BOARD OF DIRECTORS

Chairman and Managing Director
Mr. Krishan Kumar Goyal

Prof. Satish Kumar Kapoor, Independent Director
Prof. Avtar Krishan Vashisht, Independent Director
Prof. Anupama Sharma, Independent Director
Dr. Surinder Kumar, Additional Independent Director

CHIEF FINANCIAL OFFICER
Mr. Suresh Kumar Puri

COMPANY SECRETARY
Ms. Ananya Modi

AUDITORS
M/s. APT & CO LLP
Chartered Accountants
Chandigarh, India

CORPORATE OFFICE
SCO 98-99, Sub City Centre,
Sector 34, Chandigarh-160022, India

REGISTERED OFFICE
G.T. Road, Mandi Gobindgarh - 147301
Distt. Fatehgarh Sahib, Punjab, India

REGISTRARS & SHARE TRANSFER AGENTS
M/s. MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor,
Okhla Industrial Area, Phase – 1,
New Delhi – 110020.

CONTENTS

DIRECTORS' REPORT

Dear Members,

Your Directors hereby present their 52^{nd} Annual Report and Audited Accounts of the Company for the year ended 31^{st} March, 2026.

FINANCIAL SUMMARY

The company is evaluating various options of future course of business.

DIVIDEND

In view of meager profits, the Board has not recommended any dividend for the year under review.

DEPOSITS

The Company has neither accepted nor invited any deposit from the public and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year under review.

TRANSFER TO RESERVES

Considering the financial position of the Company, no amount has been transferred to the General Reserves of the Company during Financial Year 2025-26.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company do not have any Subsidiary, Joint Ventures or Associate Companies as on date

SHARE CAPITAL

The paid up equity share capital is Rs. 14,40,00,000/- divided into 1,44,00,000 equity shares of Rs. 10/- each and there was no change in capital structure of Company during the Financial Year 2025-26.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS

A separate report on Corporate Governance and Management Discussions & Analysis is attached herewith and forms part of this report.

DIRECTORS

In pursuance of Section 152 of the Companies Act, 2013, at-least two-third of the Directors (excluding Independent Directors) shall be subject to retirement by rotation. One-third of such Directors must retire from office at each AGM and a retiring director is eligible for re-appointment. Accordingly, Mr. Krishan Kumar Goyal, Chairman & Managing Director, (DIN: 00482035), shall retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. In view of his considerable experience and expertise, Directors of your Company recommends his reappointment as Director of Company.

Dr. Surinder Kumar (DIN: 11032078) was appointed as Non-Executive Independent Director on 11^{th} August, 2026 for a period of five (5) years. He will hold office as an Additional Independent Director upto the ensuing Annual General Meeting. After the confirmation from the Shareholders in the ensuing AGM, he will be confirmed and regularized as an Independent Director of the company upto the conclusion of AGM to be held in 2031.

KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Krishan Kumar Goyal (Chairman & Managing Director), Mr. Suresh Kumar Puri (Chief Financial Officer) and Ms. Ananya Modi (Company Secretary & Compliance Officer) are the Key Managerial Personnel of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 read with the rules made thereunder and Regulation 25 (8) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, that they meet the criteria of independence as laid out in Sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of your Company formed an opinion that the Independent Directors of our Company are maintaining highest standard of integrity and possessing expertise, requisite qualifications and relevant experience for performing their role as an Independent Directors.

BOARD DIVERSITY AND REMUNERATION POLICY

In accordance with Para A of Part D and Regulation 19 of Listing Regulations, the Board has framed Nomination & Remuneration Policy for appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Employees, which includes the criteria for determining qualification, positive attributes, independence of a Director and other matters provided under sub-section 3 of section 178 of the Companies Act, 2013. As on 31^{st} March, 2026, the Board consists of four Directors out of which one is Executive Director, and three are Independent Directors.

The Board periodically evaluates the need for change in its composition and size.

We affirm that the remuneration paid to the Directors is as per the terms approved by the Nomination and Remuneration Committee of the Company.

With reference to the provisions of Section 136(1) of the Companies Act, 2013, information required under Section 197(2) read with rule 5(1) not forms part of this report. Since, no employees are employed who draws remuneration pursuant to the provision of 197(2) read with rule 5(2).

BOARD MEETINGS

During the year under review, Four Board Meetings were convened and held, the details of which are given in the Corporate Governance Report forming part of this Report.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In pursuance of Section 134 (3) (p) of the Companies Act, 2013 read with rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Board as a whole, its Committees and individual directors. Led by the Nomination & Remuneration Committee ('NRC'), the evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

As part of the evaluation process, the performance of Non Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non Independent Directors was done by the Board excluding the Director being evaluated.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business. Related Party disclosures as per IND AS-24 have been provided in the Notes to the Financial Statements. Further, no material related party transactions held during the financial year 2025-26. Hence, Form AOC-2 is not applicable.

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

Since, the Company had no manufacturing operations during the current Financial Year 2025-26, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable on Company for the year under review.

RISK MANAGEMENT

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company has formulated Risk Management Policy to identify and then manage threats/risks that could have impact on the goals and objectives of the Company.

The Audit Committee of the Company periodically reviews and evaluates the adequacy of risk management systems, keeps an eye on execution of risk management plan of the Company and advises management on strengthening mitigating measures wherever required. The actual identification, assessment and mitigation of risks is however done by the executives of the Company.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated Vigil Mechanism/ Whistle Blower Policy which provides a robust framework for dealing with genuine concerns & grievances of Employees, Directors and Senior Executives.

Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. During Financial Year 2025-26, no complaints were received.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has aligned its current systems of Internal Financial Control with the requirement of Companies Act, 2013.

The management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) as of 31st March, 2026. The assessment involved self- review and external audit.

Modern Steels Limited's internal controls are commensurate with its size and nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

M/s A P T & Co. LLP, the Statutory Auditors of Modern Steels Limited have audited the financial statements including in this annual report and has issued an attestation report on our internal control over financial reporting (as defined in Section 143 of Companies Act, 2013).

The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action.

Based on its evaluations (as defined in Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), the Audit Committee has concluded that, as of 31st March, 2026, the internal financial controls were adequate and operating effectively.

COMMITTEES OF THE BOARD OF DIRECTORS

Your Company has the following Three- Board Level Committees established by the Board in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

The details regarding composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report of Corporate Governance, which forms parts of the Annual Report. There has been no instance where the board has not accepted recommendation of Audit Committee, Nomination & remuneration Committee and Stakeholders Relationship Committee. Further, the provisions of Companies Act mandating constitution of Risk Management Committee are not yet applicable to the Company.

EXTRACT OF ANNUAL RETURN

In compliance with Section 92(3), Section 134(3)(a) and Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return is available on the website of Company www.modernsteels.com.

AUDITORS

Statutory Auditors

M/s. APT & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at 50th Annual General Meeting for their second tenure, a period of two years till the conclusion of the 52nd Annual General Meeting to be held in the year 2026 at a remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditors, whose tenure is going to expire at this ensuing Annual General Meeting.

The Board of Directors pursuant to Section 139 and 142 and other applicable provisions of Companies Act, 2013, if any and the rules framed thereunder and subject to approval of Shareholders approved the appointment of M/s. Sanjeev Sharma & Associates, Chartered Accountants (FRN: 012326N) as Statutory Auditors of Company for a period of One (1) year to hold office from this ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2027 at a remuneration mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

Secretarial Auditors

The Board of Directors pursuant to Section 204 and the rules framed thereunder and Shareholders approved appointment of M/s. Sanger & Associates, Company Secretaries (Sole Proprietorship) as Secretarial Auditors of Company for a period of three (3) years to hold office from this ensuing Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2028 at a remuneration and on such terms as mutually agreed between the Board of Directors of the Company and the Secretarial Auditor.

AUDITOR'S REPORT

Statutory Auditors' Report

The Statutory Auditors of the Company M/s. APT & Co. LLP, Chartered Accountants, have submitted the Auditor's Report on standalone financial statements for the period ended March 31, 2026 which do not contain any qualification, reservation or adverse remark or disclaimer. The notes to the accounts referred to in the auditors' report are self-explanatory and therefore, do not call for any further comments. The Auditors have also not reported any matter under section 143(12) of the Companies Act, 2013.

Secretarial Auditors' Report

The Secretarial Auditor M/s. Sanger & Associates, Company Secretaries has submitted the Secretarial Audit Report for the Financial Year 2025-26 in Form No. MR-3 and forming part of this Directors Report annexed as **"Annexure-A"**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 for Financial Year 2025-26 forms part of the notes to the financial statements provided in the Annual Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no adverse material changes or commitments occurring after 31st March, 2026 till the date of this report, which may affect the financial position of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The provisions regarding Corporate Social Responsibility ("CSR") as enumerated under section 135 of the Companies Act 2013 were not applicable to the Company for the period under review.

SIGNIFICANT AND MATERIAL ORDERS

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

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

Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.

As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaint was received during Financial Year 2025-26.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to requirements under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed that:

i) in the preparation of the annual accounts for the year ended 31st March, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

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

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

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

APPRECIATION

The Directors also wish to place on record its appreciation for the commitment displayed by all employees at all levels during the year.

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

By order of the Board of Directors
For Modern Steels Limited

Krishan Kumar Goyal
Chairman and Managing Director
DIN: 00482035

Place: Chandigarh
Dated: 11th August, 2026

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

As the Members are aware that, the manufacturing business of the Company had been sold. The Company is working out on the future course of business.

By order of the Board of Directors
For Modern Steels Limited

Krishan Kumar Goyal
Chairman and Managing Director
DIN: 00482035

Place: Chandigarh
Dated: 11th August, 2026

ANNEXURE 'A' TO DIRECTORS ' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

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

To,
The Members,
MODERN STEELS LTD.
CIN: L27109PB1973PLC003358
G T ROAD MANDI GOBINDGARH
PUNJAB.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MODERN STEELS LTD**. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the **MODERN STEELS LTD**. Books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on **31st MARCH 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MODERN STEELS LTD**. ("The Company") for the financial year ended on **31ST MARCH 2026** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder.

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

(iii) The Depositories Act, 1996 and the Regulations and Byelaws Framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not applicable as the company has not issued any securities during the financial year under review.

(d) The SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable as the company has not provided any share-based benefits to the employees during the year

(e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Not applicable as the company has not issued any debt securities during the financial year under review.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2015 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and the amendments thereof; Not Applicable, as none of the securities of the company were delisted during the audit period.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable as the company has not bought back any of its securities during the financial year under review.

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

i. Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;

ii. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the BSE Limited;

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

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There was no changes in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- The Company has obtained all necessary approvals under the various provisions of the act.
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act and any other Act against/ on the Company, its directors, and officers.

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

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M No. F13092
C.P No.22007
UDIN: F013092H000925146

Place: Panchkula
Date: 23rd July, 2026

ANNEXURE:-A

To,
The Members,
MODERN STEELS LTD.
CIN: L27109PB1973PLC003358
G T ROAD MANDI GOBINDGARH
PUNJAB.

Secretarial Audit report on even date, for the financial year 2025-26 is to be read along with this letter.

Management Responsibility

1. It is the responsibility of the management of the Company to maintain Secretarial records, devise proper system to ensure compliance with the provision of all applicable laws and regulation and to ensure that the system is adequate and operate effectively.

Auditor responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.
3. I believe that audit evidence and information obtained from the management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the management's representation about compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affair of the Company.
6. I have not verified the correctness and appropriateness of the financial records and books of account of the Company.

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M.No F13092
C.P No. 22007
UDIN: F013092H000925146

Place: Panchkula
Date: 23rd July, 2026

CORPORATE GOVERNANCE REPORT

In line with the requirement for providing a "Report on Corporate Governance" as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges as applicable, given below is a report on the Company's Corporate Governance norms.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Modern Steels Limited is committed in adopting the best practices of Corporate Governance. The Company endeavors to act on the principles of transparency, accountability, trusteeship, integrity and passion. The ultimate objective being of realizing long term shareholder value, while taking into account the interest of other stakeholders.

2. BOARD OF DIRECTORS

A. Composition and category of the Board of Directors

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors. As on 31st March, 2026, the Board consists of 4 (Four) Directors out of which 3 (Three) are Independent Directors (including One-woman Director) and 1(One) is Executive and Non-Independent Director.

A list of Directors including the Chairman of the Board and their status as Executive / Non-Executive and Independent / Non-Independent, Promoter and their attendance at the Board meetings held during the year and No. of Directorships and Committee Chairmanships/Memberships held by them in other Listed companies during the year ended 31st March, 2026 is set out below:

Name of the Director	Category of the Director	No. of Board meetings attended	Last AGM attended	No. of other Directorships in Listed Company	No. of Committee positions held in other Listed companies		Relationship between Directors inter se
					Chairman	Member	
Mr. Krishan Kumar Goyal	Chairman & Managing Director, Executive – Non Independent Director (Promoter)	4	Yes	1*	-	-	NA
Prof. Satish Kumar Kapoor	Non-Executive – Independent Director	1	Yes	-	-	-	NA
Prof. Avtar Krishan Vashisht	Non-Executive – Independent Director	4	Yes	-	-	-	NA
Prof. Anupama Sharma	Non-Executive – Independent Director	4	Yes	-	-	-	NA

* Mr. Krishan Kumar Goyal is also a Chairman and Managing Director in Modern Dairies Limited.

Note: In accordance with provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 membership/ chairmanship of the Audit Committee and Stakeholders Relationship Committee in all other Listed Companies have been considered.

B. Board Meeting and Attendance

During the Financial Year ended 31st March, 2026, The Board of Directors met 4 (Four) times and the details of such Board Meetings are as under:

Date of Board Meeting	Board's Strength	No. of Directors Present
27th May, 2025	4	3
11th August, 2025	4	3
10th November, 2025	4	4
14rd February, 2026	4	3

None of the Non- Executive Directors are holding any equity shares in the Company.

C. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are available with the Board:

Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Sales, Marketing, Administration and General Management, Board procedures and Corporate Governance

The Directors possessing the skills/expertise and competencies:

Name of the Directors	Skills/Expertise and Competencies
Mr. Krishan Kumar Goyal	Understanding of Industry, Leadership, Corporate Accounts & Finance, Production, Sales, Marketing, Administration, Board Procedures and Corporate Governance, General Management, etc.
Prof. Satish Kapoor	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Prof. Avtar Krishan Vashisht	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.
Prof. Anupama Sharma	Corporate Accounts & Finance, Board Procedures and Corporate Governance, etc.

D. The Board hereby confirms that the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and are Independent of the management.

In accordance with the provisions of Regulations 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has been conducting various familiarizing programme for Independent Directors. The details of such familiarization programme have been disclosed and can be accessed on the website of the Company through the following web link https://www.modernsteels.com

3. AUDIT COMMITTEE

a. Terms of reference of Audit Committee

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

(5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of b audit process;

(8) Approval or any subsequent modification of transactions of the listed entity with related parties;

(9) Scrutiny of inter-corporate loans and investments;

(10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(21) Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(22) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses; and

(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

b. Composition of Audit Committee

1. The Company has constituted an Audit Committee as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Section 177 of the Companies Act, 2013. The Committee comprises of 3 (Three) Directors and all are Independent Directors.

The constitution of the Audit Committee is as under:

Name of Director	Member / Chairman
Prof. Satish Kumar Kapoor	Chairman
Prof. Avtar Krishan Vashisht	Member
Prof. Anupama Sharma	Member

2. The Chairperson of the Audit Committee is a Non-Executive Independent Director.
3. All of the above Directors are financially literate and have accounting and related financial management expertise.
4. The Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.
5. The Company Secretary of the Company is the Secretary of the Audit Committee.

c. Meetings and attendance of Audit Committee

Four (4) committee meetings of Audit Committee were held during the Financial Year 2025-26 on 27th May 2025, 11th August 2025, 10th November 2025 and 14th February 2026. The status of attendance of members at the Audit Committee meetings held during the year is as under:

Name of Director	Designation in Committee	No. of Meetings Held	No. of Meetings Director was entitled to attend	No. of Meetings attended
Prof. Satish Kumar Kapoor	Chairman	4	4	1
Prof. Avtar Krishan Vashisht	Member	4	4	4
Prof. Anupama Sharma	Member	4	4	4

4. NOMINATION AND REMUNERATION COMMITTEE

a. The terms of reference of the Committee are as follows-

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(6) recommend to the board, all remuneration, in whatever form, payable to senior management.

b. Composition of Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2026, the Committee consists of 3 (Three) Directors and all are Independent Directors:

Name of Director	Member / Chairman
Prof. Satish Kumar Kapoor	Chairman
Prof. Avtar Krishan Vashisht	Member
Prof. Anupama Sharma	Member

c. Meetings and Attendance of Nomination and Remuneration Committee

During the year, the meetings of this Committee were held on 11th August, 2025 for which the detail of attendance is as follows:

Name of Director	Designation in Committee	No. of Meetings Held	No. of Meetings Director was entitled to attend	No. of Meetings attended
Prof. Satish Kumar Kapoor	Chairman	1	1	-
Prof. Avtar Krishan Vashisht	Member	1	1	1
Prof. Anupama Sharma	Member	1	1	1

d. Performance evaluation criteria: A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2025-26. Led by the Nomination & Remuneration Committee (‘NRC’), the evaluation was carried out using individual questionnaires covering composition of Board, conduct as per Company values & beliefs, contribution towards development of strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board Committees, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership etc.

5. REMUNERATION OF DIRECTORS

The Executive Director is paid remuneration as per the terms approved by the Board of Directors and confirmed by the shareholders of the Company. Service contracts are entered into in terms of regulations governing the appointment and terms of remuneration. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company etc. The remuneration structure comprises Basic Salary, Perquisites and Allowances, contribution to Provident Fund and other funds in accordance with various related provisions of the Companies Act, 2013. The Non-Executive Directors are paid sitting fee for Board and Committee meetings attended by them.

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2026:

Amount in Rs.

Name of the Director	Salary	Benefits/PF	Perquisites	Stock Option	Sitting Fee	Total
Mr. Krishan Kumar Goyal	24,00,000	–	1,07,000	–	–	25,07,000
Prof. Satish Kumar Kapoor	–	–	–	–	20,000	20,000
Prof. Avtar Krishan Vashisht	–	–	–	–	85,000	85,000
Prof. Anupama Sharma	–	–	–	–	85,000	85,000

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

a. The role of the committee shall inter-alia include the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

b. Composition of Stakeholders Relationship Committee

The Company has formed a Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2026, the Committee consists of 3 (Three) Directors and all are Independent Directors.The list of members and the Chairman of the Committee is as follows:

Name of Director	Member / Chairman
Prof. Avtar Krishan Vashisht	Chairman
Prof. Satish Kumar Kapoor	Member
Prof. Anupama Sharma	Member

c. The Chairman of the Committee is a Non-Executive Independent Director nominated by the Board.

d. The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting to answer the Shareholders queries.

e. During the financial year ended 31st March, 2026, 4 (four) meetings of the Stakeholders Relationship Committee were held on 27th May, 2025, 11th August, 2025, 10th November, 2025 and 14th February 2026.

Name of Director	Designation	No. of Meetings Held	No. of Meetings Director was entitled to attend	No. of Meetings attended
Prof. Avtar Krishan Vashisht	Chairman	4	4	4
Prof. Satish Kumar Kapoor	Member	4	4	1
Prof. Anupama Sharma	Member	4	4	4

f. The Financial Year 2025-26, the Company did not receive any complaint.

7. GENERAL BODY MEETINGS

- **Annual General Meeting**

Financial Year	Location	Date	Time
2022-23	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	27.09.2023	02.00 P.M.
2023-24	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	27.09.2024	02.00 P.M.
2024-25	Regd. Office: G.T. Road, Mandi Gobindgarh (Pb.)	27.06.2025	02.00 P.M.

Special Resolutions passed in previous three AGMs:

(i) In the 49th AGM dated 27.09.2023, the following Special resolutions were passed:

a) To re-appoint Mr. Krishan Kumar Goyal (DIN: 00482035) as Chairman & Managing Director of the Company for further period of 3 years.

b) To re-appoint Prof. Satish Kumar Kapoor (DIN: 00009122) as a Non-Executive Independent Director for second term.
c) Appointment of Prof. Anupama Sharma as a Non-Executive Independent Director of the Company.

(ii) In the 50th AGM dated 27.09.2024, the following Special resolutions were passed:
To re-appoint Prof. Avtar Krishan Vashisht (DIN: 03323142) as a Non-Executive Independent Director for second term.

(iii) In the 51th AGM dated 27.06.2025, No Special Resolution was passed.

- **Extra-ordinary General Meeting**

During the year, no Extraordinary General Meeting of the Company was held.

- **Postal Ballot**

During the year, the Company has not passed any resolution through Postal Ballot and as of now there is no proposal to pass any resolution through Postal Ballot.

8. **MEANS OF COMMUNICATION**

Quarterly results: The Quarterly /Half yearly/ Yearly results of the Company and information relating to Annual General Meeting, Book Closures is published in The Financial Express and Rozana Spokesman i.e. in English and regional language newspaper and is also notified to the Stock Exchange as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In addition, the Company also files Quarterly Results, Shareholding Pattern etc. in such form so as to enable Stock Exchange to put it on its website.

Website: www.modernsteels.com

Annual Report: The Annual Report containing Audited Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report is circulated to the members by email or by post.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Quarterly Results, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated email-id: The Company has designated following email ID exclusively for Investor Servicing: secretarial@modernsteels.com

Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders.

GENERAL SHAREHOLDER INFORMATION

1. **Annual General Meeting:**
Day, Date &Time: Saturday, the 26th day of September, 2026 at 02.00 P.M.
Venue: Through Video Conferencing/other Audio Visual means.

2. **Financial Calendar (Tentative) for:**

Adoption of Results for the quarter ended:	In the Month of (tentative)
30th June, 2026	August, 2026 (2nd week)
30th September, 2026	November, 2026 (2nd week)
31st December, 2026	February, 2027 (2nd Week)
31st March, 2027	May, 2027
Annual General Meeting	September, 2027

3. **Book Closure Date:**
From 20th September, 2026 to 26th September, 2026 (both days inclusive).

4. **Listing on Stock Exchanges:**
Your Company is listed at the BSE Limited (BSE).

5. **Stock Code:**
No Dividend is proposed for the Financial Year 2025-26.

6. **Stock Code:**
BSE: 513303
ISIN No. in NSDL & CDSL: INE001F01019

7. **Payment of Listing Fees and Depository Fees**
   Your Company has made payment of Annual Listing Fees for Financial Year 2026-27 to the BSE Stock Exchange, where the securities of Company are listed.

   Your Company has also made payment of Annual Custody/Issuer fee for Financial Year 2026-27 to NSDL & CDSL.

8. **Stock Data:**

Month	MODERN STEELS LIMITED ON BSE				BSE SENSEX		
	High Rs.	Low Rs.	Close Rs.	Volume	High	Low	Close
2025							
April	18.56	14.51	15.64	55,801	80661.31	71425.01	80242.24
May	16.90	13.21	16.40	1,07,542	82718.14	78968.34	81451.01
June	18.50	15.76	17.43	82,417	84099.53	80354.59	83606.46
July	21.70	17.10	17.56	1,81,829	83935.01	80575.45	81185.58
August	19.45	16.00	17.34	62,126	82231.17	79741.76	79809.65
September	20.15	17.01	17.74	79,861	83141.21	79818.38	80267.62
October	19.00	16.55	17.02	63,995	85290.06	80159.90	83938.71
November	17.94	15.50	16.29	62,884	86055.86	82670.95	85706.67
December	17.09	14.01	15.55	74,497	86159.02	84150.19	85220.60
2026							
January	16.40	12.16	14.06	109,731	85883.50	81088.59	82269.78
February	15.49	12.35	13.19	109,640	85871.73	79899.42	81287.19
March	15.82	10.35	10.95	103,445	80632.55	71774.13	71947.55

9. **Registrars and Share Transfer Agents (For Physical as well as for Demat Segment):**

   M/s. MCS Share Transfer Agent Limited
   179-180, DSIDC Shed, 3rd Floor,
   Okhla Industrial Area, Phase – 1, New Delhi – 110020.
   Tel. No.: +91-11- 41406149/50/51, Fax No.: +91-11- 41709881
   E-mail: helpdeskdelhi@mcsregistrars.com, helpdeskreply@mcsregistrars.com, Website: www.mcsregistrars.com.
   All shareholders of the Company can avail online services from our Registrars & Share Transfer Agents M/s. MCS Share Transfer Agent Limited, with regard to Investor Grievances. Please login on the site of M/s. MCS Share Transfer Agent Limited at www.mcsregistrars.com and click on Investors Services and you can register your queries / grievances and details as required by you. The registered queries/grievances on the site will be responded by M/s. MCS Share Transfer Agent Limited on priority basis.

10. **Share transfer System:**
    94.525% of the equity shares of the Company are in the electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with M/s. MCS Share Transfer Agent Limited or with Company at above mentioned address.

11. Distribution of Shareholding as on 31st March, 2026:

SHAREHOLDING		SHAREHOLDERS		NO. OF SHARES	
From	To	Number	% of total	Number	% of total
1	500	8,748	90.3999	13,26,972	9.642
501	1000	474	4.8982	3,78,297	2.7488
1001	2000	242	2.5008	3,47,949	2.5283
2001	3000	66	0.682	1,66,279	1.2082
3001	4000	29	0.2997	1,04,632	0.7603
4001	5000	28	0.2893	1,28,683	0.935
5001	10000	43	0.4444	3,02,751	2.1998
10001	50000	32	0.3307	6,11,003	4.4397
50001	100000	2	0.0207	1,08,579	0.789
100001	And Above	13	0.1343	1,02,87,214	74.7489
	TOTAL	**9,677**	**100.00**	**1,37,62,359**	**100.00**

Shareholding Pattern of the Company as on 31st March, 2026:

Category	No. of shares held	% age of shareholding
Promoters & Promoter Group	90,18,936	65.53
Mutual Funds & Banks	7,000	0.05
Bodies Corporate (not included above)	2,00,070	1.45
Indian Public	45,24,908	32.89
NRIs / OCBs	11,445	0.08
TOTAL	**1,37,62,359**	**100.00**

12. Dematerialisation of Shares:

The trading in Company's shares is permitted only in dematerialised form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share Dematerialisation record: The following data indicates the extent of Dematerialization of Company's shares as on 31st March, 2026.

No. of Shares : **1,30,08,804**	**94.525%** of the total equity.

13. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

14. Plant Location of the Company:

The Company has sold its Business undertaking at Mandi Gobindgarh. Hence, Company has no plant as on date.

15. Correspondence Address:

All queries of investors regarding the Company's shares in Physical / D'mat form may be sent at the following addresses:

i) M/s. MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110020,
Tel. No.: +91-11- 41406149/50/51, Fax No.: +91-11- 41709881,
E-mail: helpdeskdelhi@mcsregistrars.com, helpdeskreply@mcsregistrars.com,
Website: www.mcsregistrars.com

ii) Modern Steels Limited
Corporate Office: SCO 98-99, Sub City Centre, Sector 34, Chandigarh-160022
Tel.: +91-172- 2609001, 2609002, 2609003, Fax: +91-172- 2609000
E-mail:secretarial@modernsteels.com, Company's Website: www.modernsteels.com

16. Other Disclosures:

a) Disclosure on materially significant related party transactions:
During financial year 2025-26, there are no material transactions entered with related parties as defined under the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the financial year, all related parties transactions were in the ordinary course of business. They have been approved by the Audit Committee, Board of Directors and Shareholders.

b) Details of non- compliance by listed Company, penalties: NA

c) Detail of establishment of vigil mechanism, whistle blower policy:
The Company has established a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior. No person is denied access to the Chairman of the Audit Committee.

d) Details of compliance with mandatory requirements:
The Company is complying with all the mandatory requirements as given by Stock Exchange / Registrar of Companies.

e) The Company is not having any subsidiary, therefore no policy for determining material subsidiaries.

f) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.
The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

g) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.
Details relating to fees paid to the Statutory Auditors are given in Relevant Note to the Financial Statements.

h) Your Company has in place a policy on Prevention of Sexual Harassment at workplace. This policy is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees are covered under this Policy.
As per the said Policy, an Internal Complaints Committee is also in place to redress complaints received regarding sexual harassment. No complaint was received during Financial Year 2025-26.

The Company's disclosures and policies are available on its website at https://www.modernsteels.com/ and have also been communicated to BSE Limited

Declaration regarding compliance by Board members and Senior management personnel with the Company's code of conduct.

The Shareholders,

I, Krishan Kumar Goyal, Chairman & Managing Director of the Company do hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board of Directors, as applicable to the Board of Directors and Senior Management of the Company.

FOR Modern Steels Limited

Krishan Kumar Goyal
Chairman & Managing Director
DIN: 00482035

Place: Chandigarh
Dated: 11th August, 2026

Certificate on Compliance with the conditions of Corporate Governance under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,
The Members of
MODERN STEELS LIMITED
G T ROAD MANDI GOBINDGARH PUNJAB

I have examined the compliance of conditions of Corporate Governance by Modern Steels Limited (the company) (CIN: L27109PB1973PLC003358) for the year ended on 31st March 2026 as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit not an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information, and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as per the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M.No. F13092
C.P. No. 22007
UDIN: F013092H001053142

Place: Panchkula
Dated: 08th August, 2026

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

To,
The Members
MODERN STEELS LTD.,
G T ROAD MANDI GOBINDGARH
PUNJAB

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Modern Steels Limited [CIN L27109PB1973PLC003358] and having registered office at G T Road, Mandi Gobindgarh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

For Sanger & Associates
Company Secretaries

CS Rajeev Kumar Sanger
M.No. F13092
C.P. No. 22007
UDIN: F013092H001053329

Place: Panchkula
Dated:08th August, 2026

INDEPENDENT AUDITORS' REPORT

To

THE MEMBERS OF MODERN STEELS LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Modern Steels Limited, which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory information.

OPINION

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the other informaiton. The other informaiton comprises the informaiton included in the Annual Report but does not include the financial statements and the Auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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 fiinancial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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.

AUDITORS' RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

a) Identify and assess the risks of material misstatement of the Statement, 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.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
d) Conclude on the appropriateness of the Board of Directors' 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 results 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.
e) Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 in terms of sub-section (11) of section 143 of the Act, we give in the Annexure, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
   e. There are no observations or comments on financial transactions or matters which may have any adverse effect on the functioning of the company.
   f. 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.
   g. In our opinion and to the best of our information and according to the explanations given to us, the Company has maintained its accounts and other matters connected therewith in accordance with the provisions of the Act.
   h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
   i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
      2. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
      4. (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) during the year by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the 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 during the year from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such 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 (a) and (b) contain any material misstatement.

5. No dividend has been declared or paid during the year by the Company

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

FOR APT & CO LLP
Chartered Accountants

CA Amrit Pal Singh
Partner
Membership no. 508134
(Firm Registration No. 014621C/N500088)
Place: Chandigarh UDIN: 26508134VPQJXZ5675
Date: 22nd May, 2026

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of the company for the year ended 31st March, 2026. To the best of our knowledge and belief and information & explanation given to us, we further report that: -

1. a) The company has maintained proper records to show full particulars including quantitative details & situation of its fixed assets.
   b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals which in our opinion is appropriate having regards to size of the company and nature of its assets. No material discrepancies have been noticed during the year.
   c) The title deeds of immovable properties are held in the name of the Company.
   d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible or both during the year ended March 31, 2026.
   e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property` under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
2. a) The Company does not have any inventory and hence reporting under this clause of the Order is not applicable.
   b) There has been no sanctioning of working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year ended March, 31 2026.
3. (a) During the year, the company has granted unsecured loans to the companies other than subsidiary, Joint ventures and associates as follows:

Company Name	Aggregate amount during the year	Balance Outstanding at the end of the year	Percentage of total loans granted
SMILE FINVEST PVT LTD.	7,00,000	1,10,70,088	6.32
INDO PACIFIC FINLEASE PVT LTD.	1,04,00,000	3,91,94,877	26.53

   (b) The terms and conditions of unsecured loans granted are not prejudicial to the company's interest.
   (c) In respect of Unsecured Loans, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There are no loans and advances in the nature of Loan granted which has fallen due during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing Loans.

(f) The Company has granted loans to related parties (Smile Finvest Private Limited) as defined in clause (76) of Section 2 of the Companies Act, 2013.

4. The company has not entered into any transaction covered under Section 185 of the Companies Act, 2013. The company has complied with the provisions of Section 186 in respect of transactions entered into.

5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause (v) of the Order are not applicable.

6. The maintenance of cost records is not required as business activities have not been carried out by the Company. Hence, reporting under this clause of the Order is not applicable to the Company.

7. (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There were no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the records of the Company examined by us and the information and explanations given to us, there are no dues of Goods and Service Tax, sales tax, income tax, customs duty, service tax, excise duty and cess which have not been deposited on account of any dispute other than the following amounting to 1.18 crore. The details are as under:-

NATURE OF DUES/NAME OF STATUTES	FORUM WHERE DISPUTE IS PENDING	YEAR	DISPUTED AMOUNT (₹)
EXCISE DUTY			
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2007-08	2,56,533
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2007-08 to 2008-09	2,59,085
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2004-05 to 2006-07	89,56,212
CENTRAL EXCISE ACT 1944	COMMISSIONER (APPEALS), CHANDIGARH	2008-09, 2009-10	8,50,927
GOODS AND SERVICES TAX (IGST ACT 2017, CGST ACT 2017 AND SGST ACT 2017)	CGST COMMISSIONER (APPEALS), LUDHIANA	2017-18 to 2019-20	15,22,799*

* This amount pertains solely to the tax liability. In addition, a penalty of ₹15,22,799 has also been imposed. Furthermore, interest under Section 50 of the CGST Act, 2017 may be levied if the demand is confirmed.

8. The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender during the year.

c) There were no Term loans availed during the year under audit.

d) The Company has not availed funds on short term basis during the year under audit.

e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on this clause of the Order is not applicable to the Company.

f) The Company has not taken any funds from any entity or personon account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year. Hence, the requirement to report on this clause of the Order is not applicable to the Company.

9. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments and term loans during the year).

(b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit.

10. (a) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(b) During the year and up to the date of this report, no report under section 143 (12) of the Act has been filed by secretarial auditor or by the predecessor auditors or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) There has been no Whistle blower complaint received during the year by the company.

11. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special/statute applicable to Nidhi Company are not applicable to it.

12. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind-AS.

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

(b) The reports of the Internal Auditors for the period under audit were considered by us.

14. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause (xv) of the Order is not applicable to the Company.

15. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable Company.

(b) The company is a Manufacturing company of Steels Products registered under companies Act 2013. Hence, it is not required to obtain certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause c(xvi) of the Order is not applicable to the Company

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause d(xvi) of the Order is not applicable to the Company.

16. The Company has not incurred cash losses in the current year or the immediately preceding financial year.

17. There has been no resignation of the statutory auditors during the year ended 31st March 2026.

18. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information, 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 makes us to believe that any material uncertainty exists as on the date of the audit report, 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.

19. (a) Section 135 is applicable to the company, hence no amount is required to be spent as per Section 198. Therefore in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) Section 135 is not applicable to the company, hence no amount is required to be spent as per Section 198. Therefore, there are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act.

20. Since there is no subsidiary, associate or Joint Ventures of the company so company is not required to make consolidated financial statements. Hence requirement to report under this clause is not applicable to the company.

FOR APT & CO LLP
Chartered Accountants

CA Amrit Pal Singh
Partner
Membership no. 508134
(Firm Registration No. 014621C/N500088)
UDIN: 26508134VPQJXZ5675

Place: Chandigarh
Date: 22nd May, 2026

ANNEXURE B

Annexure to the Independent Auditor's Report of even date to the members of Modern Steels Limited, on the financial statements for the year ended 31st March, 2026

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Modern Steels Limited ("the Company") as of and for the year ended 31st March 2026, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by 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 the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR APT & CO LLP
Chartered Accountants

CA Amrit Pal Singh
Partner
Membership no. 508134
(Firm Registration No. 014621C/N500088)
UDIN: 26508134VPQJXZ5675

Place: Chandigarh
Date: 22nd May, 2026

BALANCE SHEET AS AT 31ST MARCH 2026

(All amounts in ₹ Thousand, unless stated otherwise)

Particulars	Notes	As at 31st March 2026 ₹ in Thousand		As at 31st March 2025 ₹ in Thousand	
A ASSETS					
1 Non-Current Assets					
a) Property, Plant and Equipment	III	**4,92**		5,69	
b) Financial Assets					
i) Investments	IV	**2,81**		2,81	
ii) Loans	V	**13,28,18**	**13,35,91**	13,40,74	13,49,24
2 Current Assets					
a) Financial Assets					
(i) Trade Receivables	VI	**32,65**		31,85	
(ii) Cash and Bank Balances	VII	**5,59**		4,84	
(iii) Loans	VIII	**5,02,65**		3,68,44	
(iv) Others (Recoverable)	IX	**9,06**		14,23	
b) Current Tax Assets(Net)	X	**54,03**		50,51	
c) Other Current Assets	XI	**46,39**	**6,50,37**	60,71	5,30,58
TOTAL ASSETS			**19,86,28**		18,79,82
B EQUITY AND LIABILITIES					
1 EQUITY					
(a) Equity Share Capital	XII	**14,40,23**		14,40,23	
(b) Other Equity	XIII	**4,48,77**	**18,89,00**	3,43,19	17,83,42
2 LIABILITIES					
Non Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	XIV	**20,45**	**20,45**	20,45	20,45
Current Liabilities					
(a) Financial Liabilities					
(i) Other Financial Liabilites	XV	**70,60**		69,51	
(b) Other Current Liabilties	XVI	**6,23**	**76,83**	6,44	75,95
TOTAL EQUITY AND LIABILITIES			**19,86,28**		18,79,82

Significant Accounting Policies

The Notes I to XXIX form an integral part of the Financial Statements

For APT & CO LLP
Chartered Accountants
Firm Registration No 014621C/N500088

For MODERN STEELS LIMITED

KRISHAN KUMAR GOYAL
Chairman & Managing Director
(DIN: 00482035)

AVTAR KRISHAN VASHISHT
Director
(DIN: 03323142)

CA AMRIT PAL SINGH
Partner
M.No 508134

ANANYA MODI
Company Secretary

SURESH KUMAR PURI
Chief Financial Officer

Place: Chandigarh
Date: 22nd May, 2026

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2026

(All amounts in ₹ Thousand, unless stated otherwise)

	Particulars	Notes	Year ended 31st March 2026 ₹ in Thousand	Year ended 31st March 2025 ₹ in Thousand
	INCOME			
1	Other Income	XVII	**2,01,12**	5,49,45
2	**Total Revenue**		**2,01,12**	5,49,45
3	**EXPENSES**			
	Employee Benefits Expense	XVIII	**39,95**	42,15
	Finance Costs	XIX	**6**	14
	Depreciation & Amortization	III	**77**	-
	Other Expenses	XX	**54,76**	63,32
	Total Expenses		**95,54**	1,05,61
4	**Profit Before Exceptional Items**		**1,05,58**	4,43,84
	Exceptional Items		**-**	-
5	**Profit After Exceptional Items**		**1,05,58**	4,43,84
6	**Other Comprehensive Income**			
	a) Items that will not be reclassified to Profit or Loss		**-**	-
	b) Items that will be reclassified to Profit or Loss		**-**	-
	(i) Exceptional Items		**-**	-
7	**Total Other Comprehensive Income (net)**		**-**	-
8	**Total Other Comprehensive Income for the year (net)**		**1,05,58**	4,43,84
9	**Earning per share (Rupees)**		**0.77**	3.23

Significant Accounting Policies

The Notes I to XXIX form an integral part of the Financial Statements

For APT & CO LLP
Chartered Accountants
Firm Registration No 014621C/N500088

For MODERN STEELS LIMITED

KRISHAN KUMAR GOYAL
Chairman & Managing Director
(DIN: 00482035)

AVTAR KRISHAN VASHISHT
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(DIN: 03323142)

CA AMRIT PAL SINGH
Partner
M.No 508134

ANANYA MODI
Company Secretary

SURESH KUMAR PURI
Chief Financial Officer

Place: Chandigarh
Date: 22nd May, 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2026

(All amounts in ₹ Thousand, unless stated otherwise)

	Particulars		Year ended 31st March 2026 ₹ in Thousand		Year ended 31st March 2025 ₹ in Thousand
A	**Cash Flow from Operating Activities:**				
	Net Profit/(Loss) after tax		**1,05,58**		4,43,84
	+/- Non-cash and non-operating items:				
	i. Interest Income	**(1,20,72)**		(89,00)	
	ii. Depreciation	**77**		-	
	iii. Finance Cost	**6**		14	
			(1,19,89)		(88,86)
	Operating profit before working Capital Changes		**(14,31)**		3,54,98
	Changes in operating assets and liabilities:				
	i. Trade & Other receivables	**27,74**		(36,95)	
	ii. Trade Payable & Other Liabilities	**87**		44,58	
			28,61		7,63
	Net Cash generated from Operating Activities (A)		**14,30**		3,62,61
B	**Cash Flow from Investing Activities**				
	i. Loans granted (net)		**(1,34,21)**		(4,82,18)
	ii. Interest received on loans		**1,20,72**		26,45-
	Net Cash used In Investing Activities (B)		**(13,49)**		(4,55,73)
C	**Cash Flow from Financing Activities**				
	i. Finance Cost		**(6)**		(14)
	Net Cash from Financing Activities (C)		**(6)**		(14)
	Net increase/decrease in Cash & Cash Equivalents (A+B+C)		**75**		(93,26)
	Cash & Cash Equivalents as on 1st April 2025		**4,84**		98,10
	Cash & Cash Equivalents as on 31st March 2026		**5,59**		4,84
	Reconciliation of Cash and Bank balances with Balance Sheet				
	Cash and Bank balances as per Balance Sheet		**5,59**		4,84
	Less Bank balances not considered as Cash and Cash equivalents		**-**		-
	Cash & Cash equivalents as on 31st March 2026		**5,59**		4,84

For APT & CO LLP
Chartered Accountants
Firm Registration No 014621C/N500088

For MODERN STEELS LIMITED

KRISHAN KUMAR GOYAL
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(DIN: 00482035)

AVTAR KRISHAN VASHISHT
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M.No 508134

ANANYA MODI
Company Secretary

SURESH KUMAR PURI
Chief Financial Officer

Place: Chandigarh
Date: 22nd May, 2026

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

NOTE: I CORPORATE INFORMATION

Modern Steels Limited (the Company) is a public listed company incorporated under the provisions of the Companies Act 1956 on 19th November 1973. The Company is in the business of Steel products.

NOTE : II SIGNIFICANT ACCOUNTING POLICIES

2.1) Basis of preparation of Financial Statements

i) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) under historical cost convention on the accrual basis, the provisions of the Companies Act 2013 (the Act) (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS prescribed under Section 133 of the Act 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and relevant amendment rules issued thereafter.

ii) Basis of Preparation

Effective from 1 April 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind-AS 101, “First Time Adoption of Indian Accounting Standards, with 1 April 2016 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

iii) Classification of Assets and liabilities as Current and Non-Current.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Revised Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of its assets and liabilities.

2.2) Use of Estimates

The preparation of financial statements, in conformity with Ind-AS require estimates and assumptions to be made by management, that may affect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Changes in the estimates are reflected in the financial statements in the period changes are made, and if material their effects are disclosed in the notes to the financial statements

2.3) Property, Plant and Equipment and Depreciation

Under the Indian GAAP, Property, plant and equipment were carried in the balance sheet on historical cost. The company has elected to regard those values as deemed cost under Ind-AS as on transition date i.e.1st April 2016.

All tangible fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met. When a major inspection/repair occurs, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

As per the provision of IND AS-16, major spare parts, stand-by equipment and servicing equipment qualify as property, plant and equipment when an entity expects to use them during more than one period and the company has elected to do the same.

*Depreciation for the period includes depreciation for last 5 years on building i.e from FY 2021-22 to FY 2025-26.

2.4) Inventories

There is no inventory during the current financial year.

2.5) Foreign Exchange Transaction

There is no foreign exchange transaction during the financial year.

2.6) Investments

(a) Classification

The company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit & loss) and
- Those measured at amortized cost

The classification depends upon the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit and loss or other comprehensive income. For investments in equity instruments, this will depend on whether the company has made any irrevocable election at the time of initial recognition to account for the equity investment for fair value through other comprehensive income.

(b) Measurement

The company measures a financial asset at its fair value and in the case of financial assets not at fair value through profit and loss, at fair value including transaction cost that is directly attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit and loss is expensed in profit or loss.

2.7) Employees Benefits

(a) Short Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly with in 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the financial reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post Employment obligations

The company operates the post-employment schemes benefit plan such as gratuity.

2.8) Borrowing Costs

To capitalize the borrowing costs that is directly attributable to the acquisition or Construction of that Capital asset. Other borrowing Costs are recognized as an expense in the year in which they are incurred.

2.9) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise duty. Revenue is recognized net of returns, trade allowances, rebates, and value added taxes and net of amount collected on behalf of the third parties.

Revenue from Goods

There is no revenue from goods during the current financial year.

Revenue from Services

Revenue from services is recognized in proportion to the stage of completion of transaction at the end of reporting period, and cost incurred in the transaction including same to complete the transaction and revenue (representing economic benefit associated with the transaction) can be measured reliably.

Interest

Interest income is recognized on a time proportion basis (accrual basis) taking into account the amount outstanding and the rate applicable.

2.10) Taxes on Income

Provision for taxation has been made on the basis of taxable profits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax arising due to timing differences between accounting income and taxable income is computed at the applicable tax rates. However, Deferred Tax Liabilities and Deferred Tax Assets have not been recognized, in the absence of reasonable certainty and virtual certainty respectively, supported by convincing evidence, that sufficient future taxable income will be available against which such timing differences can be realized.

2.11) Impairment of Assets

As at 31st March 2026 the company has reviewed the future earning of its cash generating unit in accordance with Ind AS 109. As per the Company's said review the carrying amount of the assets does not exceed the future recoverable amount consequently, no adjustment is considered necessary by the management.

2.12) Provisions for Contingent Liabilities and Contingent Assets
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be outflow of resources. Contingent liabilities are disclosed by way of notes.

2.13) Earning Per Share
Basic earning per share is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by taking into the account the aggregate of the weighted average number of equity shares outstanding during the period and weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.14) Cash Flow Statement
The cash flow statement has been in accordance with the Ind AS-7 on “Cash Flow Statements” issued by the Companies (Accounting Standard) Rules, 2013.

2.15) Accounting policies not specifically referred to above are consistent with Ind Accounting Standards.

NOTE: III

3 Fixed assets
For the year ended 31st March, 2026

Amount in ₹ thousands

Particulars	Gross block				Accumulated depreciation and amortisation				Net block	
	As on 1st April 2025	Additions during the Period	Sales / Adjustment during the Period	As on 31st March 2026	As on 1st April 2025	Depreciation for the Period	Sales / Adjustment during the Period	As on 31st March 2026	As on 31st March 2026	As on 31st March 2025
Tangible assets										
Buildings	6,66	-	-	6,66	2,60	**77**	-	3,37	3,29	4,06
Furniture and fixture	19,30	-	-	19,30	18,40	-	-	18,40	90	90
Office equipments	10,69	-	-	10,69	10,49	-	-	10,49	20	20
Vehicles	11,19	-	-	11,19	10,66	-	-	10,66	53	53
Total	**47,84**	-	-	**47,84**	**42,15**	**77**	-	**42,92**	**4,92**	**5,69**
Grand Total	**47,84**	-	-	**47,84**	**42,15**	**77**	-	**42,92**	**4,92**	**5,69**

* Depreciation for the period includes depreciation for last 5 years on building i.e from FY 2021-22 to FY 2025-26.

For the Year ended 31st March 2025

Amount in ₹ thousands

Particulars	Gross block				Accumulated depreciation and amortisation				Net block	
	As on 1st April 2024	Additions during the year	Sales / Adjustment during the year	As on 31st March 2025	As on 1st April 2024	Depreciation for the year	Sales / Adjustment during the year	As on 31st March 2025	As on 31st March 2025	As on 31st March 2024
Tangible assets										
Buildings	6,66	-	-	6,66	2,60	-	-	2,60	4,06	4,06
Furniture and fixture	19,30	-	-	19,30	18,40	-	-	18,40	90	90
Office equipments	10,69	-	-	10,69	10,49	-	-	10,49	20	20
Vehicles	11,19	-	-	11,19	10,66	-	-	10,66	53	53
Total	**47,84**	-	-	**47,84**	**42,15**	-	-	**42,15**	**5,69**	**5,69**
Grand Total	**47,84**	-	-	**47,84**	**42,15**	-	-	**42,15**	**5,69**	**5,69**

NOTE: IV INVESTMENTS

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
OTHER INVESTMENT (at cost,unquoted)		
28125 (28125) No. of Equity Shares of ₹10 each fully paid up in Nimbua Green Field (Punjab) Ltd.	**2,81**	2,81
Total	**2,81**	2,81

NOTE: V LOANS

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Loans Receivables considered good – Unsecured		
Advances Recoverable	**13,28,18**	13,40,74
Total	**13,28,18**	13,40,74

NOTE: VI TRADE RECEIVABLES

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Unsecured, Considered good	**32,65**	31,85
Unsecured, Considered doubtful Debts	**3,46,33**	3,46,33
Total	**3,78,98**	3,78,18
Less: Provision for Doubtful Debts	**3,46,33**	3,46,33
Total	**32,65**	31,85

	As at 31st March 2026 ₹ in Thousand				As at 31st March 2025 ₹ in Thousand			
Trade Receivables aging schedule	**Undisputed Trade Receivables**		**Disputed Trade Receivable**		Undisputed Trade Receivables		Disputed Trade Receivable	
	considered good	**considered Doubtful**	**considered good**	**considered Doubtful**	considered good	considered Doubtful	considered good	considered Doubtful
< 6 months	**32,65**	-	-	-	31,85	-	-	-
6 months 1 year	-	-	-	-	-	-	-	-
1-2 year	-	-	-	-	-	-	-	-
2-3 years	-	-	-	-	-	-	-	-
>3 years	-	**3,46,33**	-	-	-	3,46,33	-	-
Total	**32,65**	**3,46,33**			31,85	3,46,33	-	-

NOTE: VII CASH AND BANK BALANCES

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	**5,59**	4,40
Cash in hand	-	44
Total	**5,59**	4,84

NOTE: VIII LOANS

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Loans Receivables considered good – Unsecured		
Advances Recoverable	**5,02,65**	3,68,44
Total	**5,02,65**	3,68,44

NOTE: IX OTHER FINANCIAL ASSETS

Particulars	As at 31st March 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Advances Recoverable	**9,06**	14,23
Total	**9,06**	14,23

NOTE: X CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
OTHERS		
Income Tax and TDS	**40,51**	41,06
TDS Deducted	**13,52**	9,45
Total	**54,03**	50,51

NOTE: XI OTHER CURRENT ASSETS

Particulars	As at 31st March, 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Balance with Statutory Authorities	**33,99**	43,48
Prepaid Expenses	**18**	2
GST Recoverable	**12,22**	17,21
Total	**46,39**	60,71

NOTE: XII SHARE CAPITAL

Particulars	As at 31st March, 2026		As at 31st March 2025	
Authorised	**Number**	**Amount in ₹ Thousand**	Number	Amount in ₹ Thousand
Equity Shares of ₹10/- each	**2,49,00,000**	**24,90,00**	2,49,00,000	24,90,00
9.5% Redeemable Cumulative Preference Shares of ₹100/- each	**10,000**	**10,00**	10,000	10,00
		25,00,00		25,00,00
Issued, Subscribed and Fully Paid Up				
Equity Shares of ₹ 10/- each	**1,37,62,359**	**13,76,24**	1,37,62,359	13,76,24
	A	**13,76,24**		13,76,24
Forfeited Shares (Amount paid up)		**33**		33
Forfeited Warrants (Amount paid up)		**63,66**		63,66
	B	**63,99**		63,99
Total	(A+B)	**14,40,23**		14,40,23

a) Reconciliation of number and amount of equity shares

	As at 31st March, 2026		As at 31st March 2025	
	No. of Shares	**Amount ₹ in Lakhs**	No. of Shares	Amount ₹ in Lakhs
Number and amount of equity shares at the beginning	**1,37,62,359**	**13,76**	1,37,62,359	13,76
Add: Number and amount of equity shares Issued during the period	**-**	**-**	-	-
Number and amount of equity shares at the end	**1,37,62,359**	**13,76**	1,37,62,359	13,76

b) Rights, Preferences, restricions attached to equity shareholders:-

"The company has two classes of shares referred to as Equity Shares having par value of Rs.10/- each and 9.5% Reedemable cumulative Preference Shares of Rs.100/- each.

The Company has issued equity shares only. Hence rights / preferences applicable for Reedemable cumulative Preference capital are not disclosed seperately.

Each Equity Shareholder is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. In respect to Equity Shares, the dividend if any, proposed by the Board Of Directors will be subject to approval of shareholders in Annual General Meeting.

In the event of liquidation of company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c) Share held by holding Company or its ultimate holding company or subsidiary or associates of the holding company or the ultimate holding in aggregate Nil (Nil).

d) Aggregate number and class of shares allotted as fully paid up pursuant to contarct(s) without being received in cash Nil(Nil), bonus shares and shares back for the period of five years immediately preceding the reporting date Nil (Nil).

e) Shareholders holding more than 5% shares as at balance sheet date

		As at 31st March, 2026			As at 31st March, 2025		
	Name of Equity Share Holders	**No. of Shares**	**Amount ₹ in Lakhs**	**%**	No. of Shares	Amount ₹ in Lakhs	%
1	Mr. Krishan Kumar Goyal	**36,85,429**	**368.54**	**26.78**	36,85,429	368.54	26.78
2	Mrs. Alka Goyal	**14,88,840**	**148.88**	**10.82**	14,88,840	148.88	10.82
3	M/s Nabha Commerce Pvt. Ltd.	**8,37,750**	**83.77**	**6.09**	8,37,750	83.77	6.09
4	Mr. Aditya Goyal	**7,95,590**	**79.56**	**5.78**	7,95,590	79.56	5.78
	Total	**68,07,609**	**680.75**	**49.47**	68,07,609	680.75	49.47

f) Detail of Shareholding by Promoters

	As at 31st March, 2026			As at 31st March, 2025		
Particulars	**Number**	**Amount ₹ in Lakhs**	**% of Total Shares of the company**	Number	Amount ₹ in Lakhs	% of Total Shares of the company
Equity shares of ₹ 10 each						
Mr. Krishan Kumar Goyal	**36,85,429**	**3,68.54**	**26.78%**	36,85,429	3,68.54	26.78%
Mrs. Alka Goyal	**14,88,840**	**1,48.88**	**10.82%**	14,88,840	1,48.88	10.82%
Nabha Commerce Pvt. Ltd.	**8,37,750**	**83.78**	**6.09%**	8,37,750	83.78	6.09%
Mr. Aditya Goyal	**7,95,590**	**79.55**	**5.78%**	7,95,590	79.55	5.78%
Indo Pacific Finlease Ltd.	**6,80,000**	**68.00**	**4.94%**	6,80,000	68.00	4.94%
Krishan Goyal (HUF)	**5,46,000**	**54.60**	**3.97%**	5,46,000	54.60	3.97%
Amarjit Goyal (HUF)	**3,70,000**	**37.00**	**2.69%**	3,70,000	37.00	2.69%
Chandigarh Finance Pvt. Ltd.	**3,80,625**	**38.06**	**2.77%**	3,80,625	38.06	2.77%
Times Finvest and Commerce Ltd	**2,34,702**	**23.47**	**1.71%**	2,34,702	23.47	1.71%
Total	**90,18,936**	**9,01.89**	**65.55%**	90,18,936	9,01.89	65.55%

g) Forfieture of share warrants

In the F.Y. 2011-12, the amount paid up on 771641 warrants @ Rs.8.25/- (per warrant) of Rs.63.66 lacs stands forfeited.

NOTE: XIII OTHER EQUITY

Particulars	**As at 31st March, 2026 ₹ in Thousand**		As at 31st March, 2025 ₹ in Thousand	
Securities Premium Account		**13,42,20**		13,42,20
Capital Reserve Account		**-**		-
General Reserve		**24,96,66**		24,96,66
(Balance at the beginning and at the end of the year)				
Surplus/(Deficit) in the Statement of Profit and Loss				
- Balance at the beginning of year	**(34,95,67)**		(39,39,51)	
Prior period items	**-**		-	
Add/Less:Transferred from Statement of Profit & Loss	**1,05,58**		4,43,84	
- Balance at the end of the year		**(33,90,09)**		(34,95,67)
Total		**4,48,77**		3,43,19

NOTE: XIV BORROWINGS

	As at 31st March 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Unsecured Loan		
- Related parties	**20,45**	20,45
Total	**20,45**	20,45

NOTE: XV OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Sundry Creditors	**19,41**	38,21
Expenses Payable	**51,19**	31,30
Total	**70,60**	69,51

Trade Payables aging schedule	As at 31st March 2026 ₹ in Thousand				As at 31st March 2025 ₹ in Thousand			
	Undisputed dues		Disputed dues		Undisputed dues		Disputed dues	
	MSME	Others	MSME	Others	MSME	Others	MSME	Others
< 1 year	-	**19,41**	-	-	-	38,21	-	-
1-2 years	-	-	-	-	-	-	-	-
2-3 years	-	-	-	-	-	-	-	-
>3 years	-	-	-	-	-	-	-	-
Total	-	**19,41**	-	-	-	38,21	-	-

NOTE: XVI OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Statutory dues payables	**6,23**	6,44
Total	**6,23**	6,44

NOTE: XVII OTHER INCOME

Particulars	Year ended 31st March 2026 ₹ in Thousand	Year ended 31st March 2025 ₹ in Thousand
a) Misc Income	**7,12**	-
b) Interest Income	**1,21,60**	89,25
c) Bad debts recovered	–	3,97,85
d) Provision for Doubtful Debts written back	–	34,88
e) Commission Received	**72,40**	27,47
Total	**2,01,12**	5,49,45

NOTE: XVIII EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31st March 2026 ₹ in Thousand	Year ended 31st March 2025 ₹ in Thousand
Salary Wages and Bonus	**39,95**	42,15
Total	**39,95**	42,15

NOTE: XIX FINANCE COST

Particulars	Year ended 31st March 2026 ₹ in Thousand	Year ended 31st March 2025 ₹ in Thousand
Bank & Other Charges	**6**	14
Total	**6**	14

NOTE: XX OTHER EXPENSES

Paticulars	Year ended 31st March 2026 ₹ in Thousand	Year ended 31st March 2025 ₹ in Thousand
Audit Fee	**2,50**	2,00
Miscellaneous Expenses	**52,26**	61,32
Total	**54,76**	63,32

NOTE: XXI CONTINGENT LIABILITIES & COMMITMENTS

Particulars	As at 31st March 2026 ₹ in Lakhs	As at 31st March 2025 ₹ in Lakhs
Contingent Liabilities:		
Claim against the Company not acknowledged as debts	**1,03.00**	1,03.00
Demand under Goods & Service Tax:		
(i) Tax	**15.23**	15.23
(ii) Penalty	**15.23**	15.23

NOTE: XXII EARNINGS PER SHARE:

Particulars	As at 31st March 2026	As at 31st March 2025
Profit after taxation as per Statement of profit and Loss (₹ in lakhs)	**1,06**	4,44
Equity shares outstanding (Numbers)	**1,37,62,359**	1,37,62,359
Basic earnings per share in rupees (face value ₹ 10/- each)	**0.77**	3.23
Diluted earnings per share in rupees (face value ₹ 10/- each)	**-**	-

NOTE: XXIII PAYMENT TO AUDITORS*

Particulars	As at 31st March 2026 ₹ in Thousand	As at 31st March 2025 ₹ in Thousand
Payment to Auditor	**2.50**	2.00

(*Exclusive of GST)

NOTE: XXIV SEGMENT REPORTING

The Company is engaged solely in the business of Steel Manufacturing. Accordingly, the Company has identified this as the only reportable segment in accordance with Indian Accounting Standard (Ind AS) 108 – Operating Segments, notified under the Companies (Indian Accounting Standards) Rules, 2015, as prescribed under Section 133 of the Companies Act, 2013..

NOTE: XXV In the opinion of the Board of Directors, Current Assets, Loan and Advances have value on realization in the ordinary course of business at least equal to the amounts at which they are stated and provision for all known liabilities have been made in accounts.

NOTE: XXVI As per the Ind AS – 24 issued by the Institute of Chartered Accountants of India "Related Party Disclosure". In view of this the company has given the following disclosures for the year.

The company has identified the related parties having transactions during the year, as per detail given below. No provision for doubtful debts is required to be made & no amount was written off during the year.

A) Related Party and their relationship

Key Management Personnel	**Enterprises over which KMP and relatives of such personnel are able to exercise significant influence**
Mr. Krishan Kumar Goyal	Smile Finvest Private Limited
Ms. Deepa	Mala Builders Private Limited
Ms. Ananya Modi	Nabha Commerce Private Limited
Mr. Suresh Kumar Puri	

B) Transactions with the related parties **(₹ in Lakhs)**

Particulars	Key Management Personnel	Relatives of Key Management Personnel & their enterprises
Remuneration Including Perks	41 (49)	– (–)
Loan Taken back	–	– (778)
Loan Given	–	7 (127)
Interest Received	–	7 (36)
Share of Expenses paid	–	6 (6)
Rent paid	–	29 (33)

NOTE: XXVII GOING CONCERN

The company does not have any manufacturing operations as the company has already sold its assets under slum sale at Mandi Gobindgarh (Punjab). Considering the management's future plans to start commercial activity, the financial statements have been prepared in accordance with the going concern concepts. Company has engaged in certain activities and received commission income from these activities.

NOTE: XXVIII Figures for the previous year have been regrouped, rearranged and reclassified wherever considered necessary.

NOTE: XXIX Financial Ratios

Sr No.	RATIOS	FORMULAS	2025-26	2024-25
1	Current Ratio	Current Asset/Current Liabilities	**8.47**	6.99
2	Debt Equity Ratio	Total Debt/ Shareholder Equity	**-**	-
3	Debt Service Coverage Ratio	Net Operating Income/Debt Service	**-**	-
4	Return on Equity Ratio	Net Income/Shareholder Equity	**0.058**	0.284
5	Inventory Turnover Ratio	COGS/Avg Inventory	**-**	-
6	Trade Receivable Turnover Ratio	Net Credit Sale/Avg Account Recievable	**-**	-
7	Trade Payable Turnover Ratio	Net Credit Purchase/Avg Account Payable	**-**	-
8	Net Capital Turnover Ratio	Net Annual Sales / Working Capital	**-**	-
9	Net Profit Ratio	Net Profit/ Net Sales	**-**	-
10	Return on Capital Employed	EBIT/Capital Employed	**0.056**	0.250
11	Return on Investment	Net Return on Investment/Assets	**0.066**	0.052

For APT & CO LLP
Chartered Accountants
Firm Registration No. 014621C/N500088

For MODERN STEELS LIMITED

KRISHAN KUMAR GOYAL
Chairman & Managing Director.
(DIN:00482035)

AVTAR KRISHAN VASHISHT
Director
(DIN: 03323142)

CA Amrit Pal Singh
Partner
M. No. 508134

ANANYA MODI
Company Secretary

SURESH KUMAR PURI
Chief Financial Officer

Place: Chandigarh
Dated: 22nd May, 2026