



Vardhman

VARDHMAN SPECIAL STEELS LIMITED

Delivering Excellence. Since 1965.

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Ref. VSSL:SCY:APRIL:2026-27

Dated: 28.04.2026

BSE Limited, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, MUMBAI-400001. Scrip Code: 534392	The National Stock Exchange of India Ltd, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), MUMBAI-400 051 Scrip Code: VSSL
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SUB: DISCLOSURE UNDER REGULATION 30 & 33 OF SEBI LISTING OBLIGATIONS

Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Audited Financial Results of the Company for the financial year ended 31st March, 2026 together with Auditors' Report as approved by Board of Directors in its meeting held on 28th April, 2026.

The Board of Directors has recommended a dividend of Rs. 3.5/- per share on fully paid up equity shares of the Company. The payment of dividend is subject to approval by the Members of the Company and shall be paid/ dispatched tentatively within five days of the conclusion of the Annual General Meeting.

The Report of Auditors is with unmodified opinion with respect to the Audited Financial Results of the Company for the financial year ended 31st March, 2026.

The meeting of the Board of Directors commenced at 08:00 a.m. and concluded at 12:30 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For VARDHMAN SPECIAL STEELS LIMITED

(SONAM DHINGRA)
COMPANY SECRETARY

YARNS | FABRICS | THREADS | GARMENTS | FIBRES | **STEELS**

CIN: L27100PB2010PLC033930
WWW.VARDHMANSTEEL.COM/
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VARDHMAN SPECIAL STEELS LIMITED

Regd. Office Vardhman Premises, Chandigarh Road, Ludhiana-141010

Corporate Identity Number (CIN): L27100PB2010PLC033930

Website: www.vardhmansteel.com Email: secretarial.lud@vardhman.com

Statement of Audited Financial Results for the quarter and year ended 31 March 2026

(Rs. in lakhs)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2026 (Refer note-7)	31.12.2025 (Unaudited)	31.03.2025 (Refer note-7)	31.03.2026 (Audited)	31.03.2025 (Audited)
1	Revenue from operations	45,791.54	43,054.49	42,803.88	1,75,443.31	1,76,440.83
2	Other income (also refer to note 1)	1,045.67	1,317.41	718.38	4,234.60	2,911.48
3	Total income (1+2)	46,837.21	44,371.90	43,522.26	1,79,677.91	1,79,352.31
4	Expenses:					
	a) Cost of materials consumed	24,137.27	24,341.26	22,040.01	97,439.28	1,09,368.16
	b) Changes in inventories of finished goods and work-in progress	2,845.99	383.32	4,942.61	6,166.48	(1,075.05)
	c) Employee benefits expense	2,974.19	2,918.90	2,647.29	11,427.87	10,338.96
	d) Finance cost	275.75	368.72	347.16	1,190.58	1,862.71
	e) Depreciation and amortisation expense	779.64	799.27	829.39	3,286.68	3,346.99
	f) Other expenses					
	- Power and fuel expense	4,682.10	4,833.78	3,906.32	19,048.03	17,737.40
	- Others	6,543.52	6,247.51	6,124.01	24,714.05	25,267.08
	Total expenses	42,238.46	39,892.76	40,836.79	1,63,272.97	1,66,846.25
5	Profit before tax (3-4)	4,598.75	4,479.14	2,685.47	16,404.94	12,506.06
6	Tax expense					
	- Current tax	976.12	1,100.86	759.35	3,791.00	3,332.39
	- Deferred tax	224.69	19.69	(47.09)	411.55	(135.14)
7	Profit after tax (5-6)	3,397.94	3,358.59	1,973.21	12,202.39	9,308.81
8	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	(i) Remeasurements of the defined benefits plans	18.40	61.78	(56.38)	59.25	(37.14)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(4.63)	(15.55)	14.19	(14.91)	9.35
	Other comprehensive income/(loss) for the period/year (net of tax)	13.77	46.23	(42.19)	44.34	(27.79)
9	Total comprehensive income for the period/year (7+8)	3,411.71	3,404.82	1,931.02	12,246.73	9,281.02
10	Earnings per equity share					
	(in Rs.) (not annualised for quarters):					
	(a) Basic	3.52	3.48	2.42	13.15	11.40
	(b) Diluted	3.51	3.47	2.41	13.13	11.37
11	Paid-up equity capital (face value Rs. 10/- per share) (refer note no.4)	9,668.57	9,656.19	8,173.33	9,668.57	8,173.33
12	Other equity				1,18,063.41	71,618.49
	See accompanying notes to the audited financial results					




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Statement of Assets and Liabilities**(Rs. in lakhs)**

Particulars	As at 31 March 2026 (Audited)	As at 31 March 2025 (Audited)
I. ASSETS		
Non-current assets		
(a) Property, plant and equipment	58,476.49	30,829.27
(b) Right-of-use assets	23.03	39.28
(c) Capital work-in-progress	2,646.86	11,703.36
(d) Intangible assets	1.38	2.15
(e) Financial assets		
- Investments	335.21	765.53
- Loans	230.78	292.42
- Other financial assets	291.50	294.04
(f) Others tax asset (net)	47.36	0.82
(g) Other non-current assets	5,720.64	3,549.48
Total non-current assets	67,773.25	47,476.35
Current assets		
(a) Inventories	35,024.13	33,497.38
(b) Financial assets		
- Investments	15,480.08	1,000.72
- Trade receivables	27,784.35	26,130.08
- Cash and cash equivalents	626.89	1,075.68
- Bank balances other than cash and cash equivalents	5,229.19	56.15
- Loans	234.33	213.07
- Other financial assets	3,972.21	3,409.06
(c) Other current assets	7,187.13	733.06
Total current assets	95,538.31	66,115.20
TOTAL ASSETS	1,63,311.56	1,13,591.55
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	9,668.57	8,173.33
(b) Other equity	1,18,063.41	71,618.49
Total equity	1,27,731.98	79,791.82
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
- Borrowings	-	329.55
- Lease liabilities	10.27	35.58
- Other financial liabilities	64.98	15.26
(b) Provisions	208.82	215.57
(c) Deferred tax liabilities (net)	2,269.43	1,842.97
(d) Other non-current liabilities	32.89	39.19
Total non-current liabilities	2,586.39	2,478.12
Current liabilities		
(a) Financial liabilities		
- Borrowings	9,264.95	11,643.29
- Lease liabilities	25.31	21.98
- Trade payables		
i. total outstanding dues of micro enterprises and small enterprises; and	941.39	581.57
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	17,479.69	13,348.71
- Other financial liabilities	3,489.29	3,853.55
(b) Other current liabilities	1,660.57	1,638.61
(c) Provisions	131.99	195.16
(d) Current tax liabilities (net)	-	38.74
Total current liabilities	32,993.19	31,321.61
Total Liabilities	35,579.58	33,799.73
TOTAL EQUITY AND LIABILITIES	1,63,311.56	1,13,591.55



Statement of Cash Flows

(Rs. in lakhs)

Particulars	For the year ended	For the year ended
	31 March 2026 (Audited)	31 March 2025 (Audited)
A Cash flow from operating activities		
Profit before income tax	16,404.94	12,506.06
Adjustments for:		
Depreciation and amortization expense	3,286.68	3,346.99
Change in fair value of derivative financial instruments	(11.97)	(89.00)
Unrealized foreign exchange (gain) (net)	(13.80)	(28.82)
Loss on sale/written of property, plant and equipment (net)	258.04	16.41
Share based payments to employees	87.08	106.80
Vendor balances written off	0.92	17.62
Finance costs	1,190.58	1,862.71
Interest income	(1,041.51)	(152.10)
Gain on sale of current investments	(107.16)	(132.83)
Gain on fair value of investments	(374.69)	(0.72)
Liabilities no longer required written back	(5.32)	(23.88)
Operating profit before change in following assets and liabilities	19,673.79	17,429.24
Adjustments for:		
(Increase)/decrease in inventories	(1,526.75)	2,119.86
(Increase)/decrease in trade receivables	(1,627.56)	84.83
(Increase) in current loans	(38.76)	(47.16)
(Increase) in other financial current assets	(561.98)	(1,171.97)
(Increase)/decrease in other current assets	(6,383.28)	984.93
Decrease/(Increase) in non-current loans	61.64	(26.20)
(Increase) in other non-current assets	(22.94)	(61.44)
(Decrease)/increase in non-current provisions	(6.75)	20.56
(Decrease) in other non-current liabilities	(6.30)	(4.28)
Increase /(decrease) in trade payables	4,482.29	(3,484.19)
Increase /(decrease) in other financial current liabilities	352.88	(164.74)
Increase /(decrease) in other financial liabilities	49.72	(9.72)
Increase in other current liabilities	21.96	289.34
(Decrease)/increase in current provisions	(3.92)	14.79
Cash generated from operating activities	14,464.04	15,973.85
Income tax paid (net)	(3,876.28)	(3,282.72)
Net cash generated from operating activities (A)	10,587.76	12,691.13
B Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(24,262.02)	(11,883.17)
Proceeds from sale of property, plant and equipment and intangible assets	140.31	43.55
Relisation on sale /cost incurred towards assets held for sale	-	693.44
Movement in other bank balances	(5,173.04)	(44.12)
Acquisition of non-current investments	(480.09)	(765.53)
Acquisition of current investments	(61,217.36)	(21,250.00)
Realisation of current investments	47,219.85	20,383.56
Interest received	1,049.19	139.60
Net cash (used in) investing activities (B)	(42,723.16)	(12,682.67)
C Cash flow from financing activities		
Proceeds from issue of share capital (including premium) (net of share issue expense)	38,501.45	98.46
Repayments of non-current borrowings	(1,413.19)	(2,300.95)
Payment of Lease liabilities	(26.12)	(24.88)
(Repayments) / proceeds of current borrowing (net)	(1,295.15)	5,976.91
Dividends on equity share capital paid	(2,888.22)	(1,624.42)
Interest paid	(1,192.16)	(1,821.93)
Net cash generated from financing activities (C)	31,686.61	303.19
Net (Increase)/decrease in cash and cash equivalents (A+B+C)	(448.79)	311.65
Cash and cash equivalents at the beginning of the year	1,075.68	764.03
Cash and cash equivalents at the end of the year (see below)	626.89	1,075.68
Notes:		
1. Cash and cash equivalents include:		
Balance with banks		
- in current accounts	626.77	1,075.37
Cash on hand	0.12	0.31
	626.89	1,075.68

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Notes to financial results:

1 The Company is eligible for incentives under Industrial and Business Development Policy 2017 of the State Government for its expansion cum upgradation project of Steel Melt Shop completed in FY 2019-20. Pursuant to the necessary approvals from the competent authorities resulting in satisfaction of recognition conditions for government grants in accordance with Ind AS 20, the Company has recorded Rs. 501.17 lakhs in the current quarter, Rs. 669.62 lakhs in the previous quarter and Rs. 2,556.90 lakhs in the year ended 31 March 2026 as compared to Rs. 585.19 lakhs and Rs. 2,501.02 lakhs in the quarter and year ended 31 March 2025 respectively under the head "Other income" towards exemption of Electricity Duty, Infrastructure Development Cess, property tax and GST refund. Other incentives as due will be considered post satisfaction of recognition conditions in accordance with requirements of Ind AS 20.

2 The Company is engaged in a single operating segment i.e. "Manufacturing of Steel products".

3 The Company had entered into a Power Purchase Agreement for setting up 40 MW AC Solar Power Plant. Pursuant to the Share Subscription and Shareholders' Agreement, the Company had acquired a 26% share in Sone Solar Private Limited during the quarter ended 30 June 2024. Accordingly, Sone solar was classified as an associate.

As per an amended agreement effective 1 April 2025, the investment will be settled at the subscription value, with any excess or shortfall reimbursed by/to the solar company's promoter. The Company no longer has significant influence, and the investment is no longer classified as an associate. Since Vardhman Special Steels Limited holds no other subsidiary or associate investments, consolidated financial results are not required to be prepared. Further, pursuant to the change in terms of the agreement, the investment is classified as investment at amortised cost (Previously at cost).

4 During the quarter ended 31 March 2026, the Company has issued 123,750 equity shares having face value of Rs.10 under Employee Stock Options Scheme. As a result of above, the paid up equity share capital of the Company has increased from Rs. 9,656.19 lakhs to Rs. 9,668.57 lakhs.

5 The Board of directors at its meeting held on 28 April 2026 has recommended a dividend of Rs.3.50 per share on fully paid up equity shares of the company.

6 On November 21, 2025, the Government of India notified four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The incremental impact of Rs.102.99 lakhs on provision for gratuity and Rs. 21.86 lakhs on provision for compensated absences primarily arises due to change in definition of wages.

7 The figures for the last quarter ended 31 March 2026 and the corresponding quarter ended in the previous year, as reported in these Annual Financial Results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the relevant financial year. Also, the figures upto the end of the third quarter had only been reviewed and not subject to audit.

8 The above Audited Financial Results have been reviewed by the Audit Committee on its meeting held on 27 April 2026 and have been approved at the meeting of the Board of Directors held on 28 April 2026. The audit report of the Statutory Auditors is being filed with the BSE Limited and the National Stock Exchange of India Limited. For more details, visit the Investor Desk section on the Company's website at www.vardhmansteel.com and Financial Results at corporate section of www.bseindia.com and www.nseindia.com.

For and on behalf of the Board of Directors of
Vardhman Special Steels Limited

Date : 28 April 2026
Place: Ludhiana


Sachit Jain
Chairman & Managing Director



Independent Auditor's Report

To the Board of Directors of Vardhman Special Steels Limited

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of Vardhman Special Steels Limited (hereinafter referred to as the "Company") for the year ended 31 March 2026, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (Continued)

Vardhman Special Steels Limited

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

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

Auditor's Responsibilities for the Audit of the Annual Financial Results

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

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

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and 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 appropriateness of this assumption. 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 annual 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.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The annual financial results include the results for the quarter ended 31 March 2026 being the

B S R & Co. LLP

Independent Auditor's Report (Continued)

Vardhman Special Steels Limited

balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Shweta Kumar

Partner

Gurugram

28 April 2026

Membership No.: 509822

UDIN:26509822UVEHXU9901