



Vardhman

Delivering Excellence. Since 1965.

VARDHMAN SPECIAL STEELS LIMITED

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Dated: 4th June, 2025

To,
The Compliance Department
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Sub: Clarification for Financial Results

Dear Sir

This is in reference to your email dated June 03, 2025, regarding "Financial results submitted by the Company for the quarter/ year ended 31st March, 2025, is not as per format prescribed by SEBI - standalone and consolidated figures are same." In this regard, we would like to inform you that the Company has acquired 26% share in Sone Solar Private Limited during the quarter ended 30th June, 2024. According to Ind AS 109, the said investment is required to be classified as an investment in an Associate using equity method.

While applying equity method, the Company should record only that portion of ownership interest that gives access to it to the returns associated with an underlying ownership interest. In the instant case, the Company is not entitled to any dividend or profit distribution. Further, the Company holds a put option which is exercisable at the end of 18th year from the date of investment with an Option Price at Fair Market Value at least equal to the original investment amount. Therefore, the Company shall not be recording any downside on account of SPV's losses. As the Option Price will be determined at the end of 18th year, there shall be no recognition of upside also till the date of exercise of the option, since Company's return on this investment is uncertain until then.

Accordingly, there is no difference between the consolidation and standalone figures.

We hope this clarifies the matter.

Thanking You

Yours faithfully

For Vardhman Special Steels Limited

SONAM DHINGRA
(Company Secretary)

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