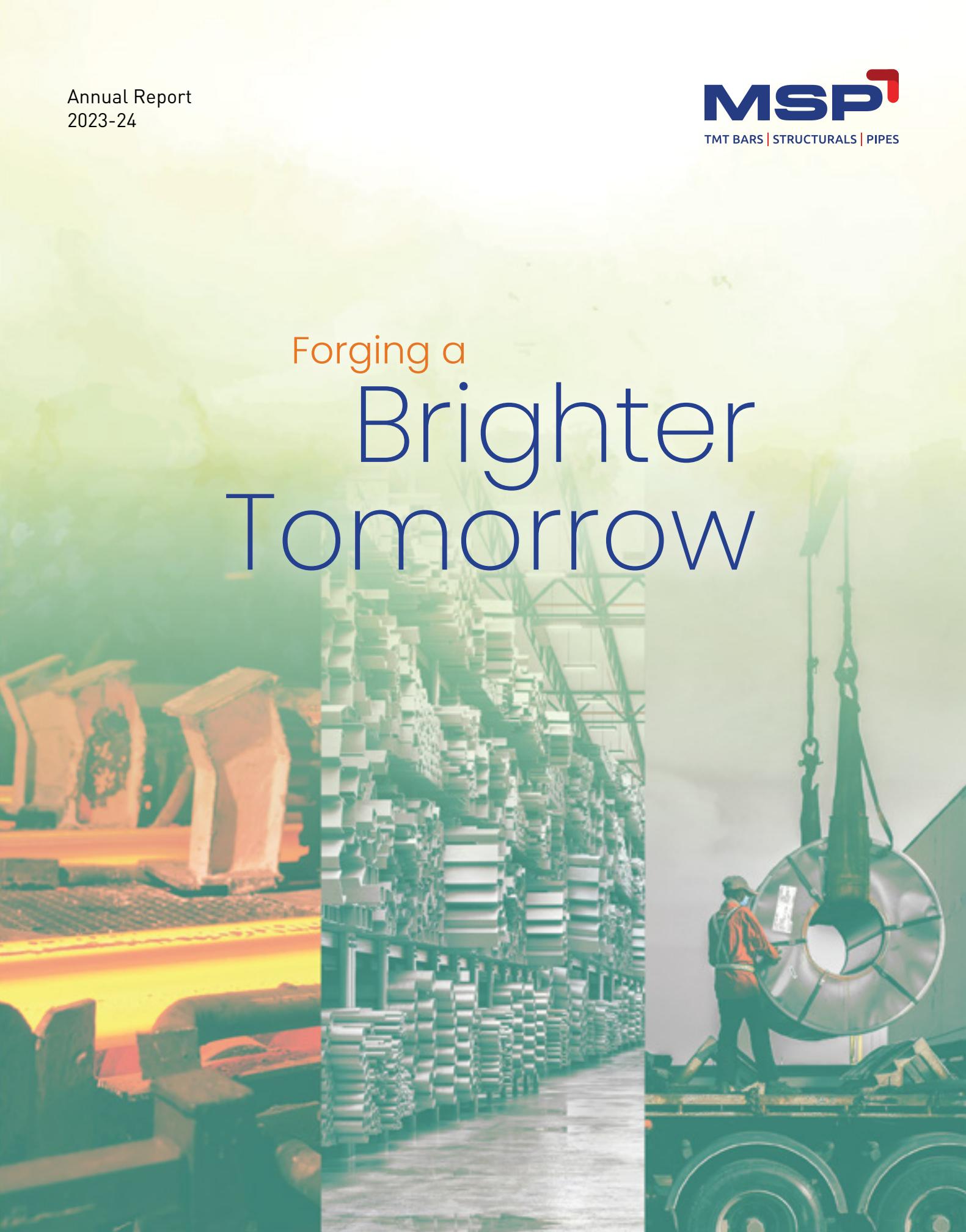


Forging a
Brighter
Tomorrow



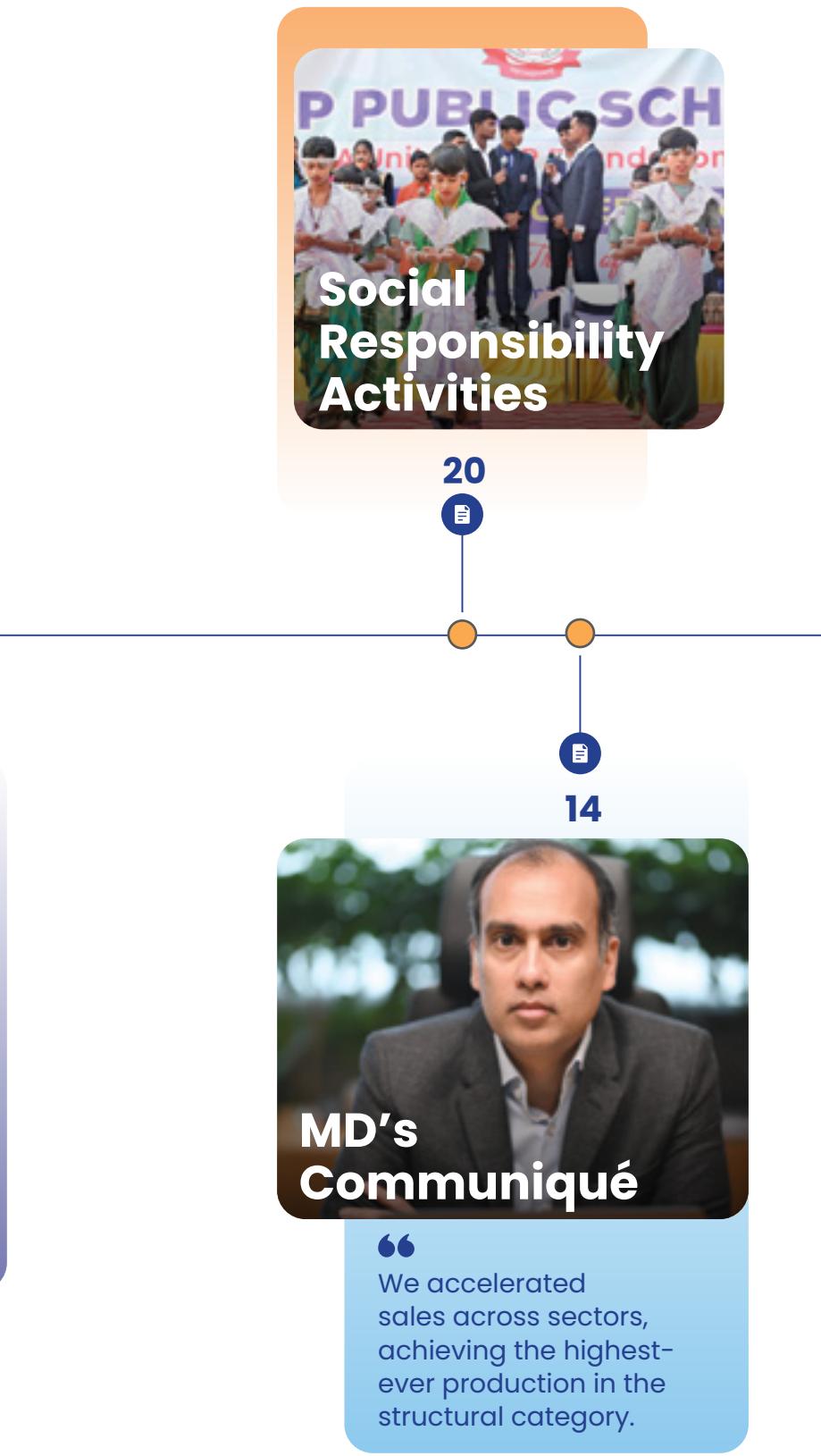
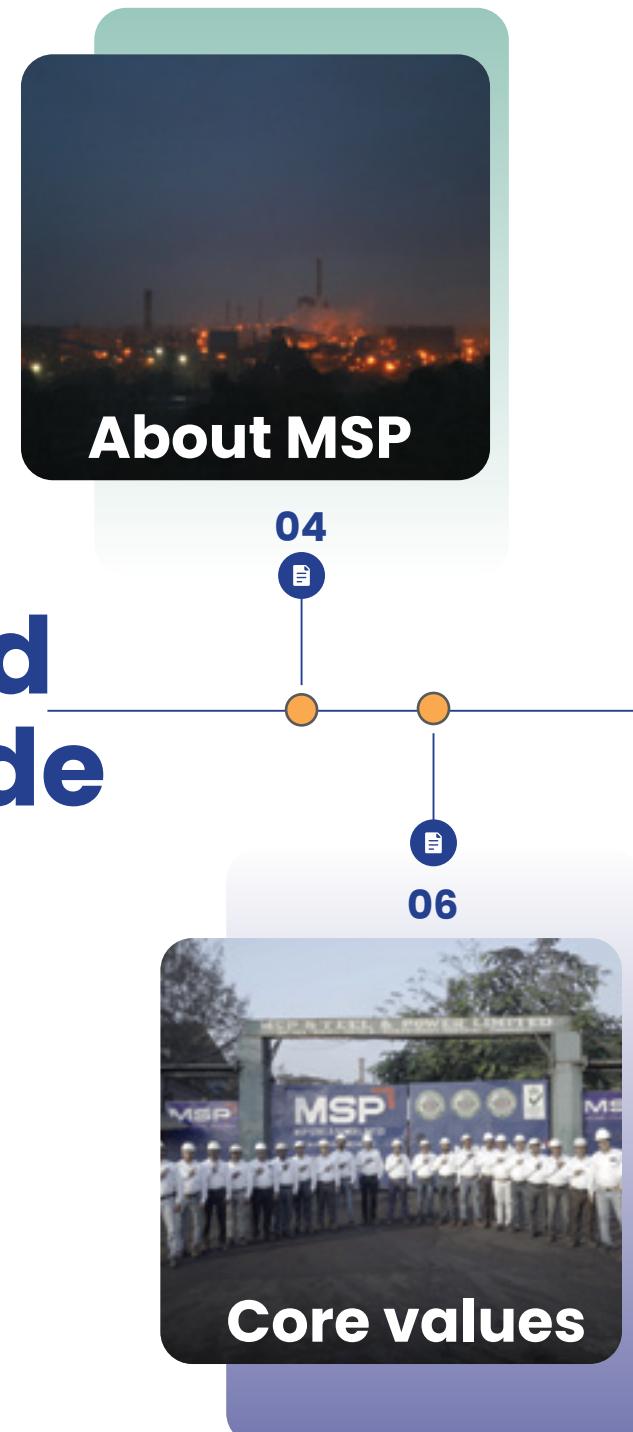
Read inside



For more information, please visit our corporate website:
<https://www.mspsteel.com/>

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



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THE PROMISE OF A BETTER FUTURE			BUILT ON STRENGTH			BORN WITH RESILIENCE			EXCELLENCE			BEING A CATALYST FOR RESURGENCE & ECONOMIC GROWTH	
BECOMING A FORCE TO RECKON WITH						ADMIRENATION BUILDER						CREATING A GREEN BELT	
INTEGRITY						INNOVATION						CSR	
						VISION & MISSION							
						TEAMWORK							

THE PROMISE OF A BETTER FUTURE

With more than 1200 employees in plant locations and sales & marketing units spread across geographies, we span the country creating a robust network ensuring direct reach to our widespread customer base across multiple home building and industrial segments.

BECOMING A FORCE TO RECKON WITH

With more than 1200 employees in plant locations and sales & marketing units spread across geographies, we span the country creating a robust network ensuring direct reach to our widespread customer base across multiple home building and industrial segments.

BUILT ON STRENGTH

Strength is at the core of our business. We have built our business on a rock-solid foundation, with a strong and reliable network of partners and suppliers.

BORN WITH RESILIENCE

We embrace change and are committed to staying resilient through challenges. Each step we take contributes to our nation's progress, as we work towards a stronger India and aim to be recognized as an Admired Nation Builder.

ADMIRENATION BUILDER

We embrace change and are committed to staying resilient through challenges. Each step we take contributes to our nation's progress, as we work towards a stronger India and aim to be recognized as an Admired Nation Builder.

INTEGRITY

Commit to highest level of ethics and professional standards | Build relationships based on trust by being transparent in communication and transactions | Manage company resources efficiently

INNOVATION

Apply new management practices to drive organisational performance | Adopt and invest in new technologies to enhance competitive edge | Adopt a learning/ intellectual and curiosity mindset

BUILDING A PAN-INDIA PRESENCE

Over the years, we have grown from strength to become a major player in the Indian market, from a small product manufacturing unit to the MSP of today, with our integrated manufacturing units and a diversified product portfolio contributing to the backbone of India's progress.

EXCELLENCE

Combine bold thinking with a pragmatic approach to deliver results | Embrace an ownership mindset by taking ownership of your work and translating decisions to actions | Sustain a melioristic culture that rewards people for individual & collective performance

CREATING A GREEN BELT

Progress, not at the cost of the environment - this is our commitment. We are actively striving to make sustainable development a key priority. Our environmental management system has been adopted for environment management. Be it reduction in emissions per ton of steel or in the creation of green and safe working environments, we are constantly exploring eco-friendly alternatives.

CSR

At MSP steel, we believe in maintaining universal balance by giving back to the society for everything we have received. We create sustainable, prosperous rural communities where villagers have the livelihood, resources and dignity to prosper in life.

VISION 2030

Capacity: 1.5 million ton integrated steel plant | Capital structure: A+ rated | Customer's number one choice

VISION & MISSION

Integrity, innovation, teamwork & excellence are the four pillars on which MSP's value system is built.

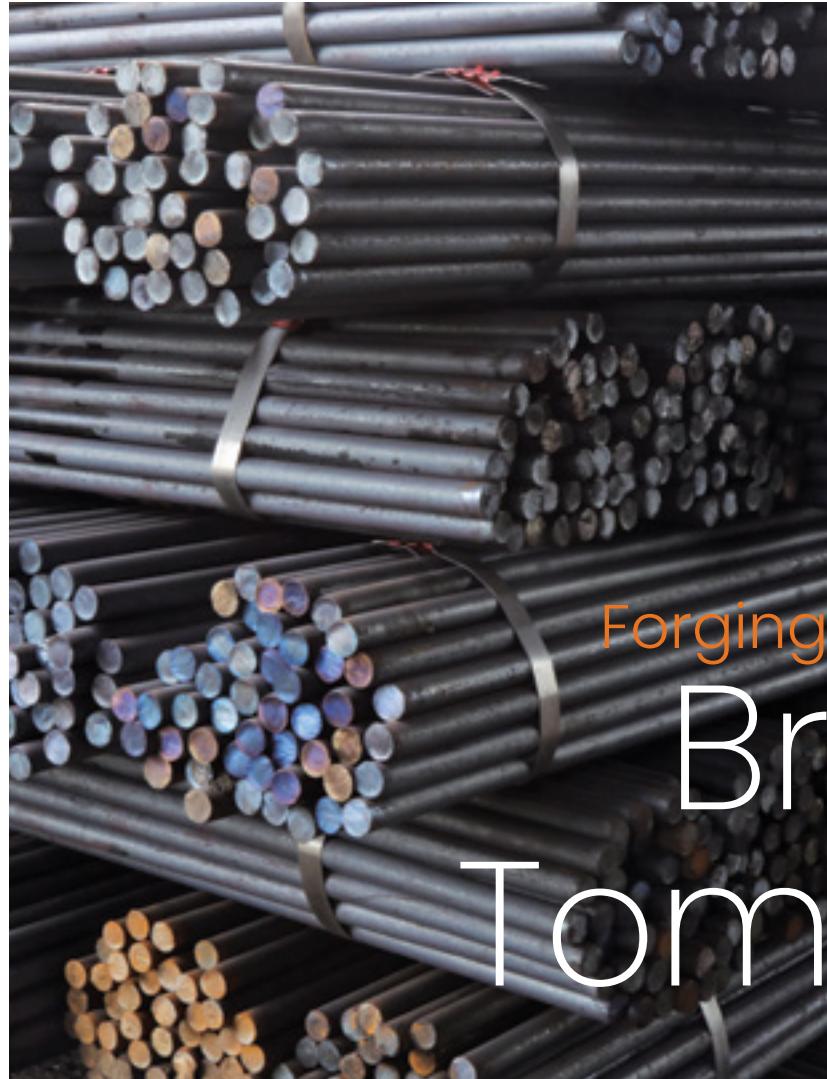
TEAMWORK

Work as one team and embrace our collective strength | Develop one on one mentorship and peer mentoring | Ensure empathetic and open communication and interaction with your colleagues

BEING A CATALYST FOR RESURGENCE & ECONOMIC GROWTH

The steel industry has always played a significant and important role in India's growth. As a steel producer, the social and economic growth in and around our plants is in prime focus for us. We have contributed to the growth of the region through income generation, helped in skill building and establishment of educational institutions linked to the trade, that have transformed the region.

About MSP



Forging a
**Brighter
Tomorrow**

MSP STEEL & POWER LIMITED, incorporated in 1968 is one amongst the leading and efficient steel manufacturer in India. From a single-product manufacturing unit, we have grown to become one of the country's major steel companies. Our state-of-the-art facilities, qualified workforce, comprehensive product portfolio and sound management practices have established us as a trusted partner in India's development as a progressive industrial economy.



Forward Looking Statements

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical facts, including those regarding the financial position, business strategy, management plans and objectives for future operations. We have tried wherever possible to identify such statements by using words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operational or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Core Values



Integrity	Innovation	Teamwork	Excellence
<p>Adhere to the highest standards of integrity with all stakeholders</p> <ul style="list-style-type: none"> Commit to highest level of ethical and professional standards Build relationships based on trust by being fair in communication and transaction Manage company resources efficiently 	<p>Continuously improve company performance by innovation</p> <ul style="list-style-type: none"> Apply new management practices to drive organisational performance Adopt and invest in new technologies to maintain competitive edge Adopt a learning/intellectual curiosity mindset 	<p>Create a familial environment to promote teamwork</p> <ul style="list-style-type: none"> Work as one team and drive our collective energy to drive performance Develop one another through apprenticeship and mentoring Ensure empathy and respect in all interaction with your colleagues 	<p>Strive for excellence in performance, quality and behaviour</p> <ul style="list-style-type: none"> Combine bold thinking with a practical approach to deliver results Embrace an ownership mindset by taking responsibility and translating decisions to actions Sustain a meritocratic culture that rewards people on individual and collective performance

Mission –Vision



Vision 2030

- Capacity:** 1.5 Million ton Integrated Steel Plant
- Capital Structure:** A+ rated
- Customers'** Number 1 choice



Purpose & Passion

To be an Admired Nation Builder-

- 'Admired'** by having high ethical standards and enriching people's lives
- 'Nation Builder'** by developing infrastructure and generating employment



Niche

- Continuously Innovate to produce steel competitively
- Customer-Centric Approach



Board of Directors



**Mr. Suresh Kumar
Agrawal**

Chairman



Mr. Saket Agrawal

Managing Director

Non-Executive Independent Directors

Mrs. Suneeta Mohanty

Non- Executive
Independent Director

Mr. Ashok Kumar Soin

Non- Executive
Independent Director

**Mr. Pranab Kumar
Chakraborty**

Non- Executive
Independent Director

**Mr. Pramode Kumar
Pandey**

Non- Executive
Independent Director

**Mr. Navneet
Jagatramka**

Non- Executive
Independent Director

Mr. Prateek Bansal

Non- Executive
Independent Director
(up to 12th August, 2024)

Mr. Anubhav Goenka

Non- Executive
Independent Director

Management Team



Mr. Manish Agrawal

Joint Managing Director



Mr. Pradip Kumar Dey

Non Executive,
Non - Independent Director



Mr. Saket Agrawal

Managing Director



Mr. Kamal Kumar Jain

Chief Financial Officer



Ms. Shreya Kar

Company Secretary &
Compliance Officer

Company Information

Statutory Auditors

M/s S K Agrawal & Co
Chartered Accountants LLP

Cost Auditor

Mr. Sambhu Banerjee

Secretarial Auditor

M/s Bajaj Todi & Associates

Bankers

State Bank of India
Union bank of India
Indian Bank
Punjab National Bank
Canara Bank Ltd.
ICICI Bank Ltd.
Indian Overseas Bank
UCO Bank
Bank of Baroda
DBS Bank Ltd.

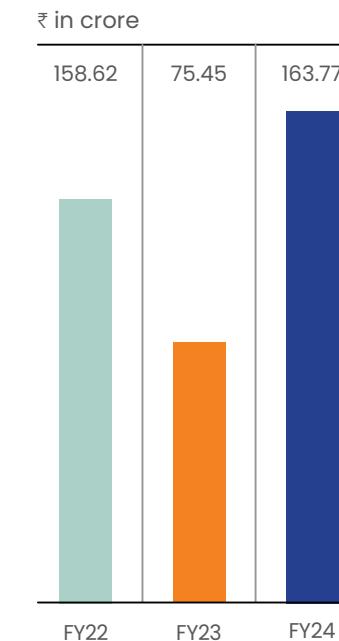
Registrar & Share Transfer Agent

KFin Technologies Ltd
(Formerly known as KFin Technologies Pvt. Ltd.)
Karvy Selenium Tower-B, Plot No.
-31& 32, Gachibowli, Financial
District, Nanakramguda,
Seriligampally, Hyderabad- 500032
Ph. No. (040)-6716-2222/3321-1000,
Fax No.: (040)-2300-1153
Email: compliance.ksbl@karvy.com,
einward.ris@kfintech.com, Website:
www.karvyfintech.com

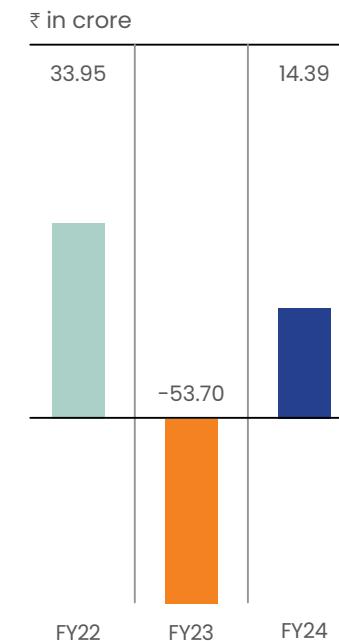


Key Performance Indicator

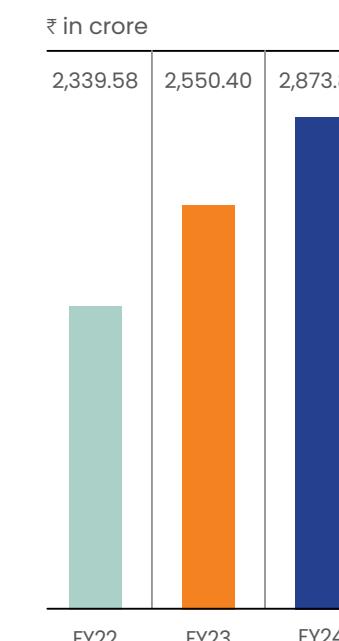
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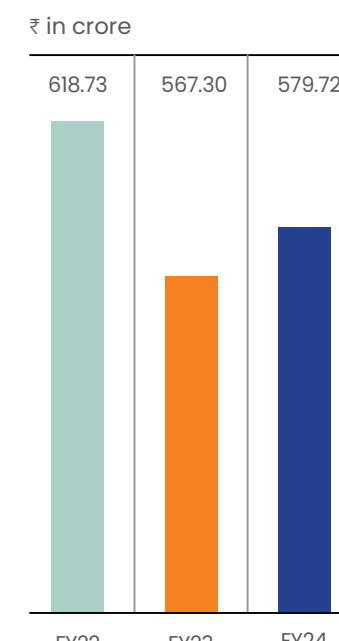
PAT



Revenue



Networth



Chairman Speak



“
In the steel industry, as in life, the strongest are those who endure, adapt, and forge ahead through every challenge

Mr. Suresh Kumar Agrawal
Chairman

Dear Shareholder,

It is with great pride that I present to you the annual report for MSP Steel & Power Limited for the fiscal year 2023-2024. This year has been marked by significant achievements and formidable challenges, yet our commitment to excellence and innovation has remained unwavering.

Performance Highlights

This year, MSP Steel has continued to build on its legacy of resilience and growth. Despite a volatile global market, we have achieved robust financial results, marked by

a significant increase in production capacity and improved operational efficiencies. Our revenue growth stands testament to the hard work and dedication of our team, who have tirelessly worked to optimize our processes and deliver high-quality products to our customers.

Strategic Initiatives

In line with our vision to be a leader in the steel manufacturing industry, we have undertaken several strategic initiatives. Our steps in advanced technologies and automation have not only enhanced our production capabilities but have also significantly reduced

our environmental footprint. We have also strengthened our supply chain to ensure seamless delivery and to mitigate any disruptions that may arise.

At MSP, we prioritize sustainable growth and strengthen our market presence by highlighting real-time testimonials from dealers, suppliers, fabricators, individuals, and home builders, thereby enhancing our brand's credibility.

Global Steel Economy

The global steel industry has faced numerous challenges, including fluctuating demand and supply

chain disruptions. However, the sector is witnessing a recovery, driven by increased demand from key industries such as construction and automotive. MSP Steel remains committed to maintaining its competitive edge through continuous innovation and strategic partnerships, ensuring we stay ahead in the global market.

India's G20 presidency in 2023 showcased the country's crucial role in advancing multilateral policy priorities. The steel industry has faced challenges from high inflation, elevated interest rates, and growing geo-economic fragmentation. The slowdown of steel-consuming sectors, particularly in the EU and US, continued in 2023 as investment and consumption weakened. However, the delayed effect of tightening monetary policy may allow a slow recovery in advanced economies in 2024, while emerging economies, particularly in Asia, may grow faster.

Indian Economy and Steel Sector

India's economy has shown remarkable resilience, and the steel sector has been a key driver of this growth. As the second-largest steel producer in the world, India's demand for steel is expected to rise with the government's focus on infrastructure development and urbanization. MSP Steel is well-positioned to capitalize on

these opportunities, contributing to nation-building while driving our growth.

India is poised for robust growth this decade, driven by significant investments in emerging sectors, continued major government investments, and efficiency gains from advancements in digitalization and physical connectivity.

Sustainability and Corporate Social Responsibility

At MSP Steel, we believe in creating value that transcends financial metrics. Our commitment to sustainability is reflected in our rigorous adherence to environmental standards and our initiatives aimed at reducing carbon emissions. We have also continued to invest in our communities through various CSR activities, focusing on education, healthcare, and skill development. These efforts are integral to our mission of fostering inclusive growth and making a positive impact on society.

Innovation and Future Outlook

Innovation remains at the core of our strategy. We are continually exploring new avenues to enhance our product offerings and improve our manufacturing processes. Our R&D efforts are geared towards developing sustainable steel solutions that meet the evolving

needs of our customers. Looking ahead, we are optimistic about the future and are confident that our strategic direction will enable us to navigate the challenges and seize the opportunities that lie ahead.

Acknowledgements

I would like to express my sincere gratitude to our shareholders, customers, and partners for their unwavering support and trust. I also extend my heartfelt thanks to our employees, whose hard work and dedication are the bedrock of our success. Together, we will continue to strive for excellence and drive MSP Steel to new heights.

Thank you.

Sincerely,

Suresh Kumar Agrawal
Chairman, MSP
Steel & Power Limited

MD's Communiqué



“
Innovation And
Creative Ideas
Change The
Face Of Modern
Manufacturing
“

Mr. Saket Agrawal

Managing Director

Dear Shareholder,

I hope this letter finds you and your families in good health and high spirits.

Despite the challenges posed by a sluggish global economy, India has continued to showcase robust economic growth. The Indian construction sector has flourished, driven by increased government infrastructure spending and a resurgence in private investment. This investment is further strengthening the capital goods sector, while the automotive industry is expected to sustain its positive momentum.

In contrast to the declines seen in regions such as the Euro Area, Japan, and the UK, manufacturing output has risen in major economies including China, the USA, India, and Brazil. The industry is also experiencing a phase of consolidation, attracting investments from various sectors, and presenting an opportunity for global players to enter the Indian market. Notably, in February 2024, the Indian government introduced measures to promote self-reliance in the steel industry. India's competitive advantage is bolstered by its low-cost manpower and abundant iron ore reserves.

Amidst this uneven global macroeconomic landscape, the Indian economy has remained resilient, supported by public infrastructure investments, digitalization efforts, and reforms aimed at simplifying business operations and encouraging new investments.

In FY2023-24, MSP Steel achieved significant milestones, including:

- Company's total revenue increased from Rs 2561.97 cr to Rs 2912.21 cr from the period 22-23 to 23-24. This is an increase of 14% over previous year.

- Company earned net profit of Rs 14.38 cr during the year 23-24 against loss of Rs 53.69 cr during 22-23.
- We accelerated sales across sectors, achieving the highest-ever production in the structural category. We expanded our dealer network during the year.
- The introduction of NEEV, a holistic development platform for the children of our employees, and the "Guru Laxmi Initiative" aimed at empowering women both within and outside their households.
- Recognition as one of India's Most Preferred Brands for the second consecutive year.
- The accolade of "Great Place to Work," bringing us closer to becoming one of the most trusted brands in India.
- Reaching the peak of production output at our integrated steel plant while adhering to stringent quality standards set by NABL.
- Committing to debt reduction, as evidenced by our improved Balance Sheet.

Looking ahead, we are partnering with world-renowned consultants to refine our approach, focusing on customer centricity and developing process-driven systems with well-defined benchmark performance indicators. Our emphasis on digitization aims to enhance efficiency and ensure real-time information flow, which will improve our daily operations. Additionally, our upcoming BI & AI pilot projects will bring us closer to our goal of becoming one of the leading steel producers in the country and customers number one choice in the states we work.

We extend our heartfelt gratitude to each of you for your invaluable support and trust in MSP Steel & Power Limited. Shareholders, your confidence fuels our commitment to excellence. Bankers, your partnership is crucial to our success. Employees, your dedication drives our achievements. Government authorities, your guidance and initiatives enhance our industry.

“

We extend our heartfelt gratitude to each of you for your invaluable support and trust in MSP Steel & Power Limited

“

To our local community, your support strengthens our shared goals. Together, we look forward to continued growth and success

Warm regards,

Mr. Saket Agrawal
MSP Steel & Power Limited
Website Address:
www.mspsteel.com

Director's desk



The Indian Steel Industry is yet to embrace AI in its manufacturing process. We need to have an open outlook towards experimentation and a willingness to accept change.

Manish Agrawal

Joint Managing Director

ore & coal, which is a critical raw material for steel production. Over the past year, we have enhanced our procurement strategies to ensure a consistent supply of raw materials. This includes developing strong relationships with suppliers and implementing stringent quality control measures. These efforts are essential for maintaining the high standards of our products.

Embracing Technology: Driving Innovation and Excellence

Technology is at the heart of our operational strategy. We have made significant investments in artificial intelligence (AI), machine learning (ML), and other advanced technologies to streamline our processes. One notable implementation is the

Dear Valued Shareholders,
I am pleased to present an update on our progress and future directions at MSP Steel & Power Limited. Overseeing procurement of raw materials, logistics, production and the implementation of automation technologies, I am committed to ensuring that our operations are efficient, sustainable, and forward-looking.

Procurement and Logistics: Ensuring Quality and Efficiency

Our primary focus remains on the procurement of high-quality iron

use of automated RFID tagged weighbridges, which have significantly reduced human error and increased accuracy in our logistics operations.

Additionally, we have integrated AI and ML into our decision-making processes, allowing us to make data-driven decisions that enhance efficiency and productivity. These technologies help us predict and mitigate potential issues before they become significant problems, ensuring a smoother operation.

Optimizing Processes and Raw Materials with AI

AI offers substantial value by optimizing processing instructions and raw material input mixes. By connecting our assets through data and generating actionable insights, we can lower raw material costs, improve throughput at bottlenecks, and enhance end-to-end product yields. This approach aligns with our commitment to continuous improvement and operational excellence.

We are also leveraging tools like ChatGPT and Zoho Dashboard to improve our internal and external communications. These tools enable us to provide better service to our customers and stakeholders by ensuring timely and accurate information flow.

Information Technology: Backbone of Our Operations

Information technology (IT) plays a pivotal role in our company. We have undertaken implementation of several IT initiatives that have transformed the way we operate. We have upgraded our IT infrastructure to support our growing needs and implemented robust cybersecurity measures to protect our data and systems.

Our use of advanced IT solutions has also enabled us to implement real-time monitoring and control of our production processes. This not only improves efficiency but also enhances our ability to respond quickly to any issues that may arise.

Looking Ahead: Commitment to Innovation and Growth

As we move forward, our focus will remain on innovation and continuous improvement. We will continue to explore new technologies and processes that can help us achieve our goals. Our commitment to sustainability, efficiency, and excellence will guide our efforts as we strive to create value for our shareholders and contribute positively to the industry.

At MSP Steel & Power Limited, we are dedicated to innovation and strategic planning to unlock this potential. By embracing AI,



As more and more data is collected, self-generating machine-learning algorithms shall make the system smarter.



we aim to lead the industry with advanced solutions and set new benchmarks for success.

In conclusion, I want to thank our shareholders for their unwavering support and trust. Your confidence in our vision and strategy is what drives us to continually improve and achieve greater heights. Together, we will continue to build a strong and prosperous future for MSP Steel & Power Limited.

Warm regards,

Manish Agarwal
Joint Managing Director

Together at MSP, we Reboot, Reinvent & Reignite

MSP welcomes talented people who have a hunger and passion for innovation, exuberate integrity in action and purpose, seek excellence in everything they do and believe in teamwork as a collaborative tool to achieve success.



We provide our employees 'an experience', not only in functional knowledge, but also in harnessing their managerial and leadership skills to help them develop into true professionals.

As an employer, we hold our valued employees in the highest regard. We understand that our

employees are the real force behind our company's achievements. We welcome dynamic people from varied academic backgrounds and diverse cultures. Human capital is our biggest asset, and we adopt suitable HR practices to ensure our teams stay motivated and committed.

We pride ourselves on being an employer of choice for professionals who seek challenges in large-scale initiatives that support economic growth and development, employee rewards and recognition, incentive and performance programmes, and welfare activities.

Environment Awareness Activities



Social Responsibility Activities

MSP believes in empowering the backbone of Society i.e. Women of the Household.

With this vision, MSP has started a project to train women to make agarbatti (Incense Sticks) at MSP Community Skill Training Centre, Jamgaon, Raigarh.

As on date 20 women are taking this training.



The blanket distribution by MSP Plant in the nearby villages was a soulful activity that strengthened the bond between the Plant and the Community. The act of generosity left a lasting impact, highlighting the impact of compassion of support in times of need.

Tree Plantation at Swapnai Village

MSP's commitment to environmental stewardship for positive impact on the local ecosystem for years to come.



Since its inception, MSP Public School has endeavoured to transcend learning beyond boundaries. We are devoted to set benchmarks in nurturing children to grow into strong, matured, kind and intelligent adults, who are original in their ideas and decisive in their actions.



MSP Foundation felicitated Ms Piyali Bask, a Chandanagore Teacher who climbed Mount Everest without supplemental oxygen.



MSP Foundation is proud to become Nutrition Partner of Commonwealth Gold winner in weight lifting Mr Achintya Sheuli. Mr Sheuli has successfully qualified for Olympics. We are supporting him in his journey.



MSP Foundation is supporting Master Ankit Ganguly an 11-year-old differently abled (Deaf and Dumb) chess prodigy, who has recently secured 1st position in the 9th All Bengal Handicapped Chess Tournament on August 13, 2023. He has been chosen to represent India in the Winter Deaf Olympic 2024 in Turkey, scheduled from March 2nd to March 12th, 2024. MSP Foundation is providing him financial support to achieve his dreams.



MSP FOUNDATION'S CONTRIBUTION ESTABLISHES A NEW DIALYSIS UNIT AT SVS MARWARI HOSPITAL.

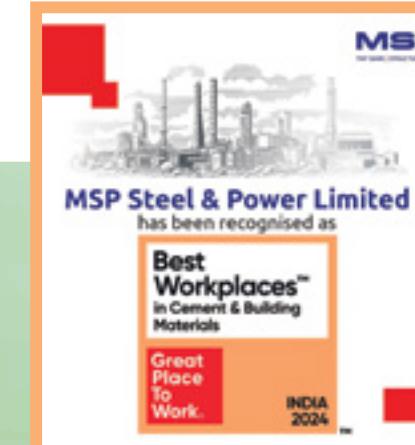
स्वस्थ जीवन के लिए नया दृष्टिकोण
में से शारीरिक सुधार

MSP Foundation, in its continuous endeavour to contribute to the welfare of the society, has taken a significant step towards improving the quality of life for the underprivileged. The foundation, through its various initiatives, has been instrumental in addressing the challenges faced by the local community. One such initiative is the establishment of a new dialysis unit at SVS Marwari Hospital. This unit, which is the first of its kind in the region, will provide much-needed medical services to the local population, particularly those who are unable to afford private dialysis units. The foundation's contribution towards the establishment of this unit is a testament to its commitment to social welfare and its desire to make a positive impact on the lives of the people in the area. The foundation's efforts have been acknowledged by the hospital management, who have expressed their gratitude for the support provided. The new dialysis unit is expected to improve the lives of many people in the area, providing them with access to medical services that they may not have been able to afford otherwise. The foundation's contribution towards the establishment of this unit is a testament to its commitment to social welfare and its desire to make a positive impact on the lives of the people in the area. The foundation's efforts have been acknowledged by the hospital management, who have expressed their gratitude for the support provided. The new dialysis unit is expected to improve the lives of many people in the area, providing them with access to medical services that they may not have been able to afford otherwise.

MSP Foundation is not leaving any stone unturned when it comes to serving the society. MSP Foundation has made a contribution in setting up a new dialysis unit at SVS Marwari Hospital.

Awards and Accolades

Throughout the year, our unwavering dedication to placing customer needs at the forefront and delivering value for end consumers has garnered us multiple prestigious awards from esteemed institutions.



MSP Steel & Power Limited honoured with the **Brand Leadership Award 2023** at the Eastern India Leadership Awards



MSP Steel & Power Limited has been recognised as **Best Workplaces in Cement & Building Materials, India 2024** by Great Place To Work Institute, India



MSP Steel & Power Limited has been recognised **As the Epitome of New-Age Success** by the Marksmen Daily Most Preferred Brands 2023-24



MSP Steel & Power Limited honoured with the **15th Viswakarma Award** by Construction Industry Development Council



MSP Steel & Power Limited has been recognised as a **Great Place to Work, from December 2023 to December 2024** by Great Place to Work Institute, India

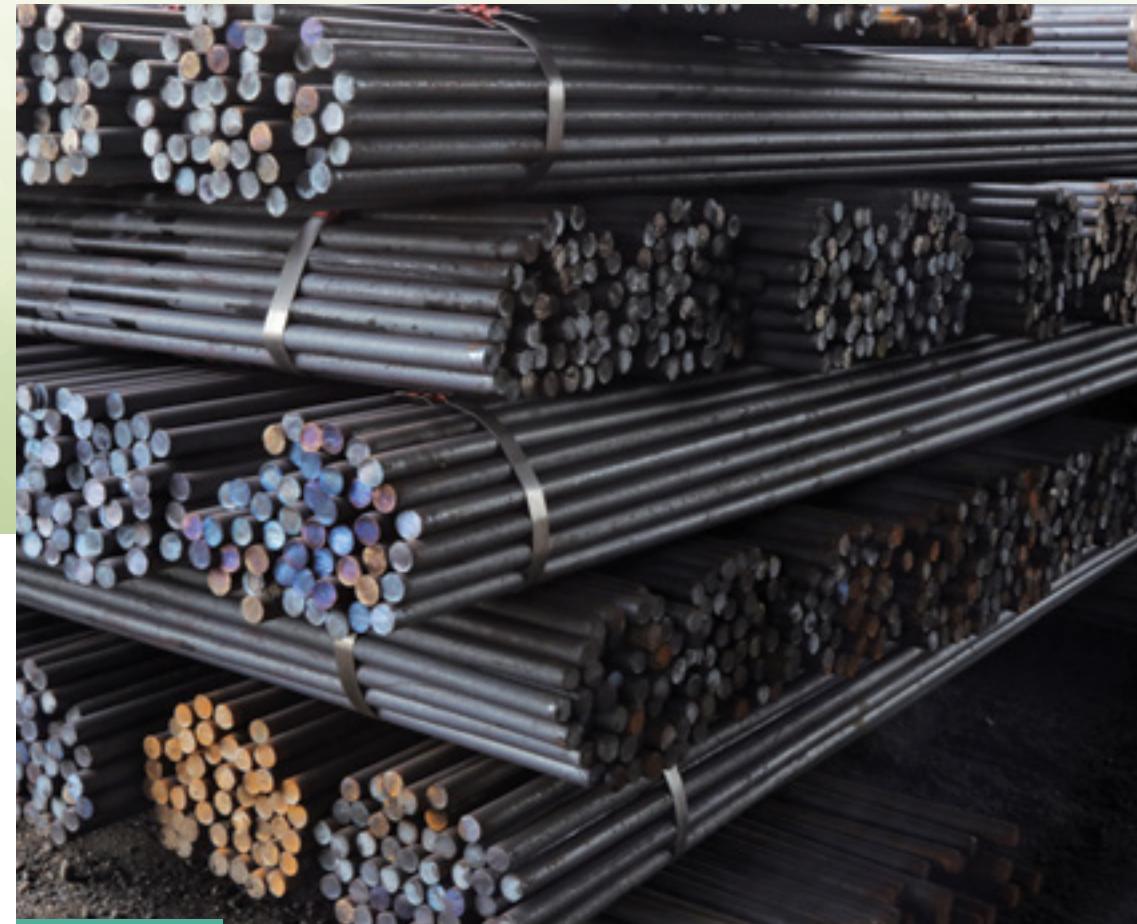


Our Products



MSP Premium TMT Bars – With its perfect balance of strength and flexibility, equi-space rib pattern and consistent weight-length ratio, it results in reduction in steel consumption, reduction in bar congestion, reduction in labour cost and lesser construction time thereby resulting in significant cost savings. Add to that the superior product finish and you have the future ready MSP Premium TMT

Bars – the raw material for the shining nation of tomorrow. For more information, visit our website at <https://www.mspsteel.com/products/premium-tmt-bars>



MSP TMT bars are manufactured with an industry defined vision using the Turbo Quench Technology, licensed under Herbert Rothe and conform to various international quality standards. The 3-Stage Turbo Quench Technology process ensures that every unit of MSP TMT Bars conforms to the BIS certified 550D Grade specifications. The strength, durability and flexibility along with the optimal chemistry standards of our TMT Bars are certified by a 2-Stage High-tech computer-aided NABL certified in-house testing facility. Made with the finest quality raw materials,

MSP TMT Bars have helped over 5,00,000 home builders realise the dream of building their own identity – a future- proof home and contributed to various industrial and infrastructural projects shaping the identity of the nation. For more information, visit our website at <https://www.mspsteel.com/products/tmt>

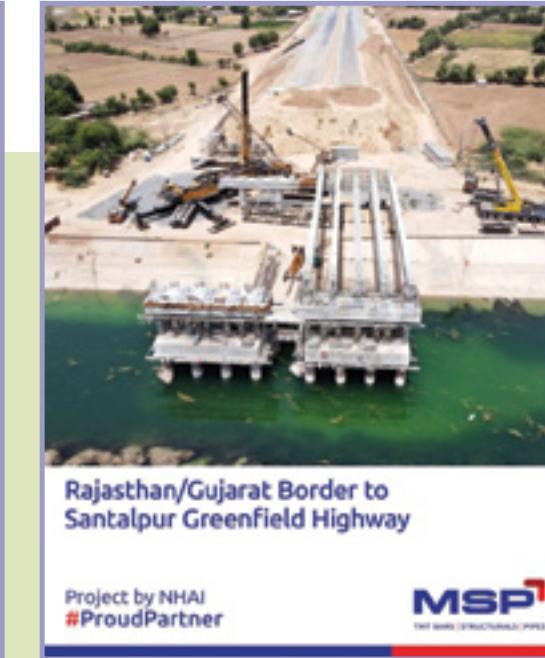
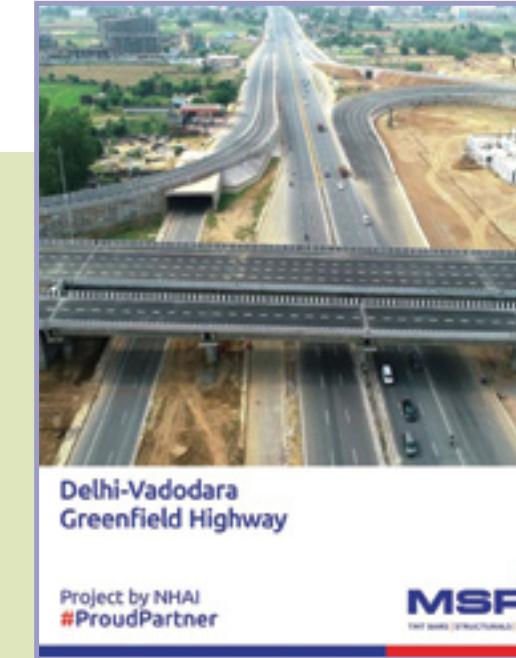
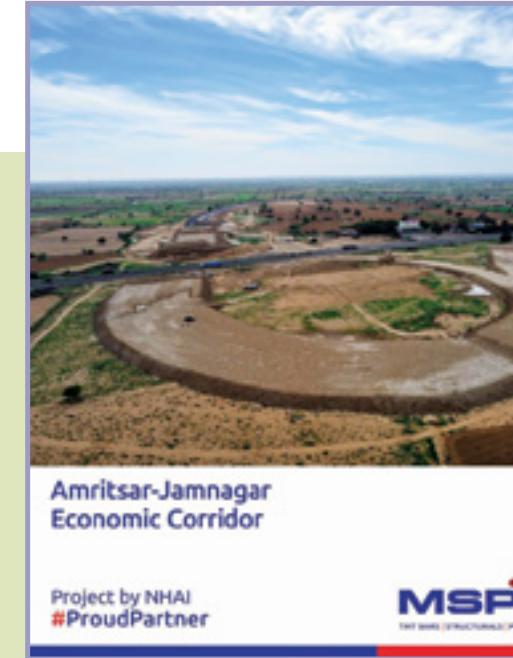


MSP Structurals offers extensive range of light, medium and heavy sections as well as unique sectional attributes that enhance their corresponding end-user performance. At MSP, we manufacture H beams, I Beams, Channels, Angles, and Round bars which conform to BIS certified quality standards thereby fulfilling consumers' requirements for



Project Partners

At our organization, we are proud to collaborate with a diverse network of project partners who play a vital role in turning our vision into reality. These trusted and dedicated individuals and organizations allow us to tackle complex challenges and achieve impactful outcomes. Together with our project partners, we are committed to making a difference and driving positive change within our communities.



Delhi - Mumbai Greenfield Highway

Project by NHAI
#ProudPartner

MSP
TMT BARS | STRUCTURALS | PIPES



Delhi - Saharanpur - Dehradun Greenfield Highway

Project by NHAI
#ProudPartner

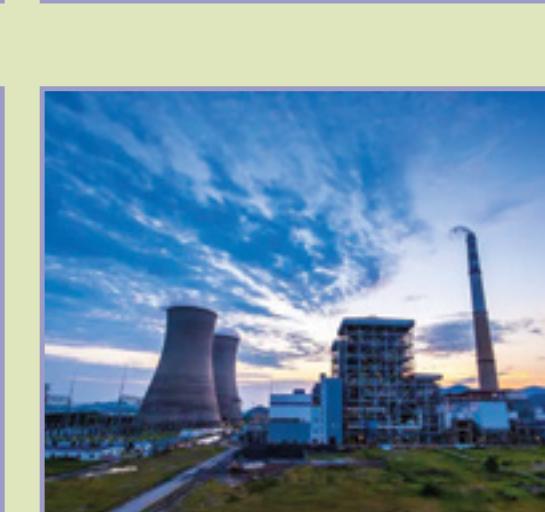
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Madhya Pradesh Metro Rail Construction Limited Indore Metro

Project by RDSO
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Khurja Super Thermal Power Plant Bulandshahar, Uttar Pradesh

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Management Discussion and Analysis Report



I. Overview

MSP Steel & Power Limited (“MSP Steel”), the flagship company of the MSP Group, operates a highly diversified and integrated manufacturing process. Our comprehensive operations cover every stage, from raw material processing to the production of high-quality steel and a range of downstream value-added products.

MSP Steel has grown from a single-product manufacturing unit, to become one of the country's major steel companies . The Company's state-of-the-art facilities, qualified workforce, comprehensive product portfolio and sound management practices have established it as a trusted partner in India's development as a progressive industrial economy.

This chapter presents an overview of the macroeconomic environment as well as the operational and financial performance of MSP Steel & Power Ltd. It also discusses important initiatives taken by the Company during the year to achieve its growth and performance objectives.



Management Discussion and Analysis Report (Contd..)

II. EXTERNAL ENVIRONMENT

GLOBAL ECONOMY

The global economy is gradually recovering from the pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis. The resilience displayed has been notable. Despite disruptions in energy and food markets caused by the war and unprecedented monetary tightening aimed at curbing decades-high inflation, economic activity has decelerated but not halted. However, growth is slow and uneven, with increasing disparities..

Global growth at 3.2 percent in CY 2023, is estimated to continue at the same pace in CY 2024 and CY 2025, whereas Headline inflation continues to decelerate, on a year-over-year basis, with advanced economies returning to their inflation targets. As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. In the advanced economies, the US experienced a growth rate of 2.5% in 2023, with projections indicating an increase to 2.7% in 2024 before slowing to 1.9% in 2025. The UK's growth remained relatively flat in 2023 but is expected to rise by 0.5% in 2024 and 1.5% in 2025. In China, growth is anticipated to decelerate from 5.2% in 2023 to 4.6% in 2024 and 4.1% in 2025, driven by the diminishing impact of one-off consumption and fiscal stimulus measures post-pandemic, along with ongoing challenges in the real estate sector. Conversely, India's growth rate is robust, estimated at 7.8% in 2023 and projected to sustain strong performance with 6.8% in 2024 and 6.5% in 2025.

GLOBAL OUTLOOK

For advanced economies, growth is projected to decline slightly from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025. In the United States, growth is projected to increase to 2.7% in 2024, before slowing to 1.9% in 2025, as gradual fiscal tightening and a softening in labour markets slow aggregate demand.

On the fiscal policy front, the IMF expects governments in advanced economies to tighten

fiscal policies in 2024 and beyond. This tightening is evident in projections for the structural fiscal-balance-to-GDP ratio, which is anticipated to rise notably in the US and the Euro area. Emerging markets and developing economies are likely to maintain a broadly neutral policy stance in 2024, with slight tightening anticipated in 2025.

INDIAN ECONOMY ANALYSIS

The Indian economy maintained its positive growth trajectory despite a sluggish global economy. Experts across the board agree on India's robust GDP growth of 7.6% for FY 2023-24 as compared to a growth rate of 7.0% in FY 2022-23 with projections indicating a resilient economy even in the face of global challenges in FY 2024-25.

The financial sector has been resilient, largely unaffected by global financial stress in early 2023. While the budget deficit has eased, public debt remains elevated and fiscal buffers need to be rebuilt. Globally, India's 2023 G20 presidency has demonstrated the country's important role in advancing multilateral policy priorities.

We see India continuing to grow well this decade piggybacking significant investments in the emerging sectors, continuation of major investments by the government and efficiency gains stemming from advances in digitalisation and physical connectivity.



India's rate of unemployment declined to 3.1% (2022: 3.6%) and labour force participation rate expanded to 59.8% (2022: 56.1%) in 2023. 

Source: Govt. of India – Dept. of Economic Affairs Monthly Economic Review, February 2024

Management Discussion and Analysis Report (Contd..)

India's foreign currency reserves stood strong at \$645.6 billion as of March 31, 2024, and the Indian currency remained stable during the year.

As per the past three fiscals, capex in the country has been driven by the household sector and the infrastructure buildout bankrolled by the central and state governments. Going forward, the industrial sector is expected to pick up pace, with investments flowing towards both conventional and emerging sectors, even as infrastructure capex maintains momentum.

The industrial manufacturing sector has experienced a significant boost, attracting global technology giants to expand their supplier networks within India. This momentum is further supported by the implementation of state industrial policies that complement sector specific incentive schemes. Concurrently, substantial investments in logistics and infrastructure development, including the construction of new roads, highways, and rail tracks, underscore the Government's commitment to bolstering this critical sector. Capital spending by the Government and strong manufacturing activity have meaningfully contributed to the robust growth outcomes in 2023.

The government has played a crucial role in triggering industrial capex across conventional and emerging sectors through the Production Linked Incentive (PLI) scheme. With incentives worth Rs 1.82 lakh crore offered across 14 sectors, PLI focuses on improving India's attractiveness as a global manufacturing hub and narrowing the gap with major destinations.

SECTORAL ANALYSIS

Global Steel Industry

The global economy continues to show resilience despite facing several strong headwinds, the lingering impact from the pandemic and Russia's invasion of Ukraine, high inflation, high costs and falling household purchasing power, rising geopolitical uncertainties, and forceful monetary tightening. As MSP Steel approaches the monetary tightening cycle, tighter credit conditions and higher costs have led to a sharp slowdown in housing activity in most major markets and have hampered manufacturing sector globally. While it seems the world economy will experience a soft landing

from this monetary tightening cycle, it is expected to see global steel demand growth remaining weak and market volatility remaining high on lagged impact of monetary tightening, high costs and high geopolitical uncertainties.

We expect that steel demand in China in 2024 will remain around the level of 2023, as real estate investments continue to decline, but the corresponding steel demand loss will be offset by growth in steel demand coming from infrastructure investments and manufacturing sectors. In 2025 we see China steel demand returning to downtrend with a 1% decline.

Steel industry has been impacted by high inflation and interest rate environment in addition to growing geo-economic fragmentation. The slowdown of steel consuming sectors, especially in EU & US continued in 2023 as investment and consumption weakened. The delayed effect of tightening monetary policy may allow slow recovery in 2024 in advanced economies while emerging economies, particularly Asia may grow faster. Persistent core inflation, high oil prices and tight job market remain the downside risks to stabilising inflation.

Indian Steel Industry

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth of 7.7% in 2024 compared to a global growth of 1.9%, according to Short Range Outlook of The World Steel Association. Growth in India's construction sector is driven by government spending on infrastructure and recovery in private investment. Infrastructure investment will also support capital goods sector. Besides, healthy growth momentum is expected to continue in the automotive sector. China, the USA, India and Brazil were among the nations to see manufacturing output rise, in contrast to declines in places such as euro area, Japan and the UK.

India is the world's second-largest producer of crude steel, with an output of 125.32 MT of crude steel and finished steel production of 121.29 MT in FY23. The country accounted for 8.4% of world crude steel production during the month. Among the top 10 steel producing countries, India, Japan, Russia, South Korea, Turkey, and Iran registered yoy growth in production in January 2024 while the remaining countries reported yoy contraction in

Management Discussion and Analysis Report (Contd..)

production during the month. India remained the leader in world DRI production with an output of 4.50 mt (up 19% yoy) in January 2024. The country accounted for 46.5% of world DRI production during the period under review.

Union budget FY23-24 provisions

Under the Union Budget 2023-24, the government allocated Rs. 70.15 crore (US\$ 8.60 million) to the Ministry of Steel.

Opportunities:

- India's finished steel consumption stood at 119.17 MT in FY23 and 112 MT in FY24 (until January 2024).
- The industry is witnessing consolidation of players, which has led to investment by entities from

other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

- In February 2024, The government has implemented various measures to promote self-reliance in the steel industry.
- Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up.
- India is home to fifth-highest reserves of iron ore in the world.

THREATS: Challenges in the Steel Industry

 <h4>Capital and Labor Intensive Industry:</h4> <p>One of the primary challenges facing the steel industry is its high capital and labor intensity. Establishing steel plants requires substantial investment, and managing labor remains a persistent challenge.</p>	 <h4>Economic Growth Driver:</h4> <p>The steel industry is a key driver of national economic growth, acting as a significant booster for industrial development. However, producing low-cost, high-quality steel while optimizing resource usage is a major challenge.</p>	 <h4>Fluctuating Demand:</h4> <p>Accurately predicting demand is difficult, often leading to delayed returns on investment. This uncertainty makes strategic planning and capacity management complex.</p>
 <h4>Logistics Issues:</h4> <p>Handling bulk materials like iron ore and steel presents logistical challenges, significantly impacting transportation costs. Efficient logistics are crucial for maintaining cost competitiveness.</p>	 <h4>Disruptions in Raw Material Supply:</h4> <p>The import of critical raw materials such as coking coal is susceptible to supply chain disruptions and price fluctuations. These disruptions can affect production schedules and cost structures.</p>	 <h4>Government Restrictions:</h4> <p>A large portion of the Company's business hinges on Government contracts. Delays or changes in government spending plans could significantly impact the Company's revenue streams.</p>

Management Discussion and Analysis Report (Contd..)

COMPANY OVERVIEW

Financial performance of the Company

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	F.Y. 23-24	F.Y. 22-23	F.Y. 23-24	F.Y. 22-23
Total Income	2,91,221.25	2,56,197.43	2,91,226.31	2,56,201.24
EBITDA	16,377.03	7,545.43	16,378.58	7,858.17
PAT	1,438.90	(5369.62)	1,434.64	(5,059.73)
EPS Basic	0.37	(1.39)	0.37	(1.31)
EPS Diluted	0.35	(1.29)	0.34	(1.21)

Key financial ratios (Consolidated)

Ratio	As at	As at	% Variance
	31st March 2024	31st March 2023	
Current ratio	1.28	1.27	0.50%
Debt-equity ratio	1.35	1.41	-4.39%
Debt service coverage ratio	1.05	0.51	105.72%
Debt service coverage ratio	0.02	-	-
Inventory turnover ratio	5.90	5.38	9.65%
Trade receivables turnover ratio	39.61	35.35	12.05%
Trade payables turnover ratio	12.03	9.81	22.65%
Net capital turnover ratio	18.05	16.44	9.80%
Net profit ratio	2.48	-	-
Return on capital employed	0.08	0.01	696.55%
Return on investment	-	0.01	141.48%

Return on Networth :-

The details of return on net worth are given below: -

Particulars	2023-2024	2022-2023	Growth YOY
Return on Networth (%)	0.04	NA	NA

Please Note that since the company was in Loss in 2022-23, there was no ROE.

Management Discussion and Analysis Report (Contd..)

COMPANY'S PRODUCT PERFORMANCE

Items	Uom	2023-2024		2022-2023	
		Production	Sales	Production	Sales
Pellets	Mt	12,41,476	7,01,050	10,67,416	6,47,195
Sponge Iron	Mt	4,90,134	98,562	3,65,383	37,653
Billets	Mt	4,48,687	46,820	3,60,229	24,433
TMT & Structural	Mt	3,83,841	3,78,701	3,27,155	3,26,126
Power	Kwh	50,45,92,040	3,47,49,600	50,71,86,200	3,84,38,400

HUMAN RESOURCES MANAGEMENT - Workforce and Employee Engagement

People are the cornerstone of our organization. As the saying goes, it's the people who make the organization successful. Our employees are the foundation and pillars that hold the organization strong and tall, providing the skills and competencies necessary to execute our organizational strategies. At MSP, we deeply believe in this philosophy and are committed to attracting, retaining, and developing the best talent.

As of March 31, 2024, our workforce consists of 1198 employees, compared to 1137 employees as of March 31, 2023. Our Company maintains a cordial relationship with its employees and places a high value on their safety, ensuring the implementation of safe work practices. To foster a lively and enthusiastic work environment, we organize various employee engagement activities. We celebrate occasions such as Diwali, Holi, Christmas, and Women's Day. Additionally, we organize sports activities, including cricket tournaments at both our plant locations and corporate office. Other engagement initiatives include planting saplings on World Environment Day and yoga training sessions on Yoga Day.

For employee development, we offer a range of in-house and external training programs. Our Company fosters a culture of collaboration through joint consultation between senior management and employees, demonstrating a strong commitment to mutual development. We prioritize building long-term relationships with our employees on an ongoing basis. Industrial relations at all our manufacturing units have been harmonious and peaceful, with active employee participation in the collective bargaining process.

MSP remains dedicated to ensuring that our employees are engaged, safe, and continually developing their skills, which in turn supports the overall success and growth of the organization.

STATUTORY COMPLIANCE

Statutory compliance adherence provides a great deal of security, starting from employees' minimum wages to the company's business existence. The Company has adequate systems and processes to ensure that it is in compliance with all applicable laws and it is complying with all the Statutory rules and regulations applicable to it. The HR department complies with Statutory Acts like Factories Act, PF & Misc Provision Act, ESI Act, Minimum Wages Act, Bonus Act, Professional Tax Act, Shop and Establishment Act, Maternity Benefit Act, Payment of Wages Act and Other Labour Regulations as applicable for the organization. The Accounts Department complies with Income Tax Act and Service Act, etc. The Company Secretary complies with Companies Act, SEBI Regulations and other allied corporate laws applicable to the Company.

All the Statutory Compliances are met for the smooth functioning of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

To ensure effective internal controls across business process and systems, the Company has established a robust framework that is designed to provide reliable and quality assurance related to the Company's financial and operational information so that it can comply with applicable laws and safeguard the Company assets.

Management Discussion and Analysis Report (Contd..)

The framework comprises both entity level controls and business process controls. The adequacy and efficacy of these controls are evaluated on a regular basis.

Apart from strong internal control, your Company has also appointed external and independent Audit Firms as its Internal auditors for periodical checking and monitoring of the Internal Control Measures

The Company's internal financial control framework commensurate with the size and the operation of the business and is in line with requirements of the Companies Act, 2013. The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. The Audit Committee also meets the Company's Internal Auditors as well as Statutory Auditors to ascertain for their views on the adequacy of internal control systems of the Company and keeps the management informed of its major observations. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company.

RISK & CONCERNs

Our company recognizes that all businesses inherently carry certain risks, and we place great importance on actively identifying and mitigating these risks. To achieve this, we have implemented a robust organizational risk management system that consistently evaluates both our internal and external environments to detect potential risks. This proactive approach enables us to develop and implement effective strategies to mitigate these risks.

The risks we address are diverse and encompass various types, including geopolitical developments (e.g., war or natural calamities), travel restrictions, industry-specific risks, foreign currency volatility, client concentration, technology hazards, and financial risks, among others.

We have instituted measures at different levels of management to address these significant threats.

Furthermore, we continuously review and monitor our risk mitigation plans to ensure their ongoing effectiveness in protecting our business from potential threats. Our commitment to proactive risk management underscores our dedication to the long-term stability and success of our company. These measures are integrated into our strategic plans, ensuring their implementation throughout the organization.

The Board of Director of your Company aimed to ensure resilience for sustainable growth and sound corporate governance by having a process of risk identification and management in compliance with the provisions of the Act and the Listing Regulations. In concern to the same the Board of Directors of your Company has approved and adopted a revised Risk Management Policy of your Company: <https://www.mspsteel.com/about-us/corporate-policies>

By maintaining this comprehensive risk management framework, we strive to safeguard our business and enhance our resilience against potential challenges.

CAUTIONARY STATEMENT

The Management Discussions and Analysis describe Company's projections, expectations or predictions and are "forward looking statements" within the meaning of applicable laws and regulations. These statements are based on current information and may differ from actual results due to risks and uncertainties. Important factors that could make a difference to the Company's operations include demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations, tax laws, natural calamities including critically of pandemic (Covid-19), litigation and industrial relations, economic developments within the country and other factors.

Board's Report

Dear Members,

The Board of Directors of MSP STEEL & POWER LIMITED ('Company') is pleased to present the Fifty-Fifth integrated Annual Report along with financial statements of the Company, for the financial year ended 31st March 2024. A brief summary of the Company's standalone and consolidated performance is given below:

COMPANY PERFORMANCE

FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	F.Y. 23-24	F.Y. 22-23	F.Y. 23-24	F.Y. 22-23
Revenue from Operations	2,87,385.40	2,55,039.96	2,87,385.40	2,55,039.96
Other Income	3,835.85	1,157.47	3,840.91	1,161.28
Total Income (A)	2,91,221.25	2,56,197.43	2,91,226.31	2,56,201.24
Total Expenses (B)	2,89,148.44	2,62,256.45	2,89,158.05	2,62,264.27
Profit/(Loss) Before Tax (C=A-B)	2,072.81	(6,059.02)	2,068.26	(6,063.03)
Add/(Less): Exceptional Items (D)	-	30.75	-	30.75
Share of Profit / (Loss) of Associates, joint venture (E)	-	-	1.09	314.34
Less: Tax Expenses (F)	633.91	(658.65)	634.71	(658.22)
Income Tax for Earlier Years	-	-	-	-
Deferred Tax	633.91	(658.65)	634.71	(658.22)
Profit/(Loss) for the Year (C-D+E-F)	1,438.90	(5,369.62)	1,434.64	(5,059.73)
Other Comprehensive Income/(Loss)(net of tax)	(196.40)	226.24	(196.40)	216.73
Total Comprehensive Income	1,242.50	(5,143.38)	1,238.24	(4,843.00)

PERFORMANCE 2023-2024

The Financial Year 2023-2024 has registered increase in production and sales volumes as compared to previous financials.

On a Standalone basis, the revenue for the Company for the financial year 2023-24 was Rs. 2,87,385.40 lakh, registering a growth of 12.68% as compared to the previous year revenue of Rs. 2,55,039.96 Lakhs. The EBITDA for the year was Rs. 16,378.58 Lakhs, registering a substantial growth of 117.04% as compared to previous year EBITDA of Rs. 7,545.43 Lakhs. The Net profit for the financial year 2023-24 was Rs. 1,438.90 lakhs in comparison to Rs. (5,369.62) lakhs for the previous year.

On a Consolidated basis, the revenue for the Company for the financial year 2023-24 was Rs. 2,87,385.40 Lakhs, registering a growth of 12.68 % as compared to the previous year revenue of Rs. 2,55,039.96 Lakhs.

The Consolidated EBITDA for the year was 16,378.58 Lakhs, registering a substantial growth of 108.43% as compared to previous year EBITDA of Rs. 7858.17 Lakhs. The Consolidated Net Profit for the financial year 2023-24 was Rs. 1,434.64 Lakhs in comparison to Rs. (5,059.73) Lakhs for the previous year.

The Consolidated Profit after Tax was Rs. 1434.64 Lakhs in comparison to Rs. (5059.73) Lakhs registering a significant growth over the previous year on account of operating leverage.

Board's Report (Contd.)

1. DIVIDEND

For the financial year under review, your Company has not recommended any dividend at the forthcoming Annual General Meeting (AGM) for the year ended 31st March 2024. The decision was made to utilize the surplus for the future growth of the Company.

Dividend Distribution Policy:

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Dividend Distribution Policy which is accessible at the Company's website at www.mspsteel.com/about-us/corporate-policies

2. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve Account during the financial year ended March 31, 2024.

CHANGE IN SHARE CAPITAL

During the Financial Year 2023-2024, there was no change in the Authorized Share Capital and Paid-up Share Capital of the Company. The equity shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")

3. OPTIONALY CONVERTIBLE DEBENTURES (OCD)

The aggregate outstanding amount of Optionally Convertible Debentures ("OCD") of the Company as on 31st March 2024 is. ₹ 4,519,705,540/- consisting of 451,970,554 OCDs of face value of ₹10/- each

4. SUBSIDIARIES, & JOINT VENTURES

In line with Section 129(3) of the Act read with Companies (Accounts) Rules, 2014, the Listing Regulations and in accordance with Indian Accounting Standards, Consolidated Financial Statements (CFS) prepared by your Company

includes financial information of the Subsidiary, Joint Venture and their contribution to the overall performance of your Company during the year under review. The statement containing the salient features of our subsidiaries in the prescribed form **AOC-1** is appended as **Annexure-1** to the Director's Report and forms part of this report. The Statement provides the detailed performance of the Subsidiaries including associate company and Joint venture.

The Company has two Subsidiaries i.e MSP Cement Limited and Prateek Mines & Minerals Private Limited and one Joint Venture i.e Madanpur South Coal Company Limited as on 31st March, 2024.

Your Company has formulated a policy for determining 'Material Subsidiary', in terms of the Regulation 16(c) of the Listing Regulations, as amended from time to time. The said policy can be accessed on the Company's website at the link: <https://www.mspsteel.com/images/corporate-policies/POLICY-FOR-DETERMINING-MATERIALITY-OF-EVENTS.pdf>

CONSOLIDATED FINANCIAL STATEMENTS

Audited annual consolidated financial statements forming part of the annual report have been prepared in accordance with Companies Act, 2013, Indian Accounting Standards (Ind AS) 110- 'Consolidated Financial Statements' and Indian Accounting Standards (Ind AS) 28 - Investments in Associates and Joint Ventures', notified under Section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

5. PUBLIC DEPOSITS

During the year ended 31st March, 2024, the Company had not accepted any public deposits and no amount on account of principal or interest on public deposits was outstanding as on 31st March, 2024.

Board's Report (Contd.)

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has disclosed the full particulars of the Loans given, Investments made or Guarantees given or Security provided as required under Section 186 of the Companies Act, 2013, Regulation 34(3) and Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in the notes to financial statements forming part of the Annual Report. Investment made or Guarantees given or Security provided are within the limit as prescribed under Section 186 of the Companies Act, 2013.

7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section and forms an integral part of the Annual Report for 2024. This Report provides a comprehensive perspective on the economic, social, and environmental aspects material to our strategy and our ability to create and sustain value for our key stakeholders. It also includes the reporting requirements as specified by Regulation 34(2)(e) read with Schedule V of the Listing Regulations.

8. CORPORATE GOVERNANCE

Your Company is committed to maintain highest standards of corporate governance and adherence to the corporate governance requirement set out by SEBI Listing Regulations.

The requisite Certificates from a Secretarial Auditor confirming compliance with the Corporate Governance is attached with the report on Corporate Governance.

9. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Company accordingly does not fall under the top 1000 listed companies based on the market capitalization as on 31st March, 2024. Therefore, the

BRSR as stipulated under the Regulation 34(2) (f) of the Listing Regulations is not applicable to the Company for the financial year 2023-2024.

10. ANNUAL RETURN

As per the provisions of section 134 (3) (a) the Annual Return of the Company for the Financial Year 2023-24 may be accessed under investor relation tab on the Company's website at the <https://www.mspsteel.com/investors/annual-report-and-returns/annual-returns>

11. DIRECTORS & KEY MANAGERIAL PERSONNEL

Your Board of Directors comprises of mix of Executive and Non-Executive Directors including a woman director with rich experience and expertise across a range of fields such as corporate finance, strategic management, accounts, legal, marketing, brand building, social initiative, general management and strategy. Except, Independent Directors, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

Director Retiring by Rotation

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Manish Agrawal (DIN: 00129240) Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The proposal regarding his re-appointment is placed for approval by the shareholders.

Resignation of Independent Director Mr. Prateek Bansal (DIN: 01836662) tendered his resignation from the post of Independent Director of the Company with effect from closure of business hours on 12th August 2024 due to other commitments. The Board places on record its appreciation for the invaluable contribution and guidance provided by him to the Company over the years.

Cessation of Independent Directors due to Expiry of Tenure

The Board of Directors at their meeting held on August 14, 2024, noted the cessation of Mr. Navneet Jagatramka (DIN: 01579357) and Mr. Ashok Kumar

Board's Report (Contd.)

Soin (DIN: 02986145), as Independent Directors of the Company w.e.f. the conclusion of the 55th Annual General Meeting of the Company consequent to completion of their second and final term of 5 (five) consecutive years. The Board of Directors and the management of the Company expressed their deep appreciation and gratitude for the valuable counsel rendered by Mr. Navneet Jagatramka and Mr. Ashok Kumar Soin during their association with the Company over the years.

Appointment of Managing Director and Joint Managing Director

Mr. Saket Agrawal (DIN: 00129209) was proposed to be re-appointed as Managing Director of the Company for a period of 5 (five) years w.e.f 14th November 2024 up to 13th November 2029, subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting.

Mr. Manish Agrawal (DIN: 00129240) was proposed to be appointed as Joint Managing Director of the Company for a period of 5 (five) years effective from 12th August 2024 up to 11th August 2029, subject to approval of the Shareholders of the Company at the ensuing Annual General Meeting.

Appointment of Independent Director

Three new Independent Directors have been brought on Board to optimise the composition of the Board.

Mr. Pramode Kumar Pandey (DIN: 10714970), Mr. Anubhav Goenka (DIN: 00543736), and Mr. Pranab Kumar Chakrabarty (DIN: 07924042) have been appointed as Additional Directors designated as Independent Directors of the Company for a term of 5 (five) consecutive years with effect from 8th August 2024 subject to the approval of members in the ensuing 55th Annual General Meeting.

Further, Mrs. Suneeta Mohanty (DIN: 08398436) has been re-appointed as an Independent Director w.e.f. conclusion of the ensuing 55th Annual General Meeting for a second term of 5 (five) consecutive years, on expiry of her tenure, subject to the approval of members in the ensuing 55th Annual General Meeting.

Details of the appointment and cessation are updated on the website of the Company at <https://www.mspsteel.com/investors/company-updates>.

Declaration by Independent Director

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence. List of key skills, expertise and core competencies of the Board, including the Independent Directors, forms a part of the Corporate Governance Report of this Integrated Annual Report.

None of the Directors on the Board of your Company are disqualified for being appointed as a Director as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules 2014 or applicable regulations of the Listing Regulations.

Key Managerial Personnel Pursuant to the provision of Section 2(51) and Section 203 of the Act, read with Rules framed thereunder, the Key Managerial Personnel of the Company are Mr. Saket Agrawal – Managing Director; Mr. Kamal Kumar Jain – Chief Financial Officer; Ms. Shreya Kar – Company Secretary & Compliance Officer

DETAILS OF BOARD AND COMMITTEE MEETINGS

In order to align the future prospects of the Company along with focused attention on the business and for better governance and accountability, the Board has constituted the Committees viz, Audit Committee, Stakeholders Relationship Committee,

Board's Report (Contd.)

Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The Details of the change in composition of the Committees, its term of reference and number of meetings held and attendance in the meetings during the financial year 2023-2024, have been disclosed separately in the Corporate Governance Report section of this Annual Report.

During the year under review, 12 meetings of the Board of Directors were held. The details of the meetings of the Board of Directors of the Company held and attended by the Directors during the financial year 2023-24 are given in the Corporate Governance Report forming part of this Integrated Annual Report.

The Independent Directors of the Company should meet at least once during the year pursuant to requirements of Schedule IV of the Act and Regulation 25 of the Listing Regulations. A meeting was scheduled on 8th November, 2023 without the attendance of non-independent directors and members of the management.

12. BOARD EVALUATION

The Company has established a policy for evaluating the performance of the Board, its Committees, and individual Directors, including both Non-executive and Executive Directors.

As per the evaluation process outlined by the NRC, the Board conducted its annual performance evaluation of the Board itself, its Committees, and individual Directors. Additionally, the independent directors performed an annual evaluation of the Chairman, the non-independent directors, and the Board as a whole. The Chairman of each Committee presented the evaluation report to the respective Committee members. The Board then assessed the performance of each Committee based on these evaluation reports. A consolidated performance evaluation report was provided to the Chairman of the Board for his review and to offer feedback to each Director.

13. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules and the disclosures relating to remuneration and other details, is annexed as **Annexure – 3** to this report.

14. NOMINATION & REMUNERATION POLICY

In accordance with Section 178(3) of the Act and Regulation 19 of the Listing Regulations, the Company has implemented a Nomination & Remuneration Policy. This policy outlines the guiding principles, procedures, and criteria for the selection and appointment of Directors, Key Managerial Personnel, and Senior Management Personnel. It includes criteria for determining qualifications, positive attributes, the independence of Directors, and the remuneration of Directors, Key Managerial Personnel, Senior Management Personnel, and other Employees.

During the year under review, the Board revised the Nomination & Remuneration Policy to ensure its continued relevance and to align it with changes in applicable laws and regulations. Details of the policy are included in the Report of Corporate Governance, which forms part of the Annual Report. The policy is also available on the Company's website at the following link: <https://www.mspsteel.com/about-us/corporatepolicies>

15. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) Committee has been constituted in accordance with Section 135 of the Companies Act, 2013.

The annual report on Corporate Social Responsibility ('CSR') containing details of CSR Policy, composition

Board's Report (Contd.)

of the CSR Committee, CSR projects undertaken and web-link thereto on the website of the Company, as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, is set out in **Annexure B** to this Report. For other details regarding the CSR Committee, please refer to the Report on Corporate Governance, which is a part of this Annual Report.

The objective of the Company's Corporate Social Responsibility ('CSR') initiatives is to improve the quality of life of communities through long-term value creation for all stakeholders. The Company's CSR policy provides guidelines to conduct CSR activities of the Company. The salient features of the Policy forms part of the Annual Report set out in **Annexure-2** annexed to the Board's Report. The CSR policy is available on the website of the Company at <https://www.mspsteel.com/images/corporate-policies/corporate-social-responsibility-policy.pdf>. The CSR Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives of the Company.

In view of the losses incurred by the Company during the previous financial years, the Company has no obligation for spending CSR during the FY 2023-24. However for decades, the Company has pioneered various CSR initiatives. The Company continues to address societal challenges through societal development programs and remains focused on improving the quality of life.

16. RISK MANAGEMENT

The Company has implemented a robust Risk Management framework to identify, measure, manage, and mitigate business risks and opportunities. This framework aims to create transparency, minimize adverse impacts on the business strategy, and enhance the Company's competitive advantage. By managing market, credit, and operational risks, it quantifies the potential impact at the Company level. Additional details on the Company's risk management process are

provided in the Management Discussion & Analysis Report, which forms part of the Annual Report.

17. VIGIL MECHANISM/WHISTLE BLOWER

The Company has implemented robust vigil mechanism which includes Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations to report safe and supportive workplace for all employees and associates and also to avoid violation of the Company's Code of Conduct & Ethics.

The details of the Whistle Blower Policy are provided in the Corporate Governance Report and is also available at on the website of the Company at the web-link: <https://www.mspsteel.com/about-us/corporatepolicies>

18. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The company is dedicated to unwavering commitment to providing a safe and supportive workplace for all employees and associates. The Company strictly enforces a zero-tolerance policy towards sexual harassment. We are dedicated to promoting equal employment opportunities and fostering a healthy environment free from prejudice, gender bias, and harassment. We uphold the principles of dignity and respect for all employees in every aspect of our operations.

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 ("POSH Act"), the Company has formulated a comprehensive Policy on Prevention of Sexual Harassment at Workplace. This policy is designed to prevent, prohibit, and address any instances of sexual harassment within the workplace.

No complaint is received in relation to Sexual Harassment of Women at Workplace [Prevention, Protection and Redressal Act, 2013].

Board's Report (Contd.)

19. RELATED PARTY TRANSACTIONS

All related party transactions were reviewed and approved by the Audit Committee in accordance with the Company's Policy on Dealing with and Materiality of Related Party Transactions, as well as the related party framework that the Company has formulated and adopted. The policy is available on the Company's website at <https://www.mspsteel.com/images/corporate-policies/RELATED-PARTY-TRANSACTION-POLICY.pdf>.

During the year under review, all related party transactions were conducted at arm's length and in the ordinary course of business. Prior omnibus approval was obtained for related party transactions of a repetitive nature, entered into in the ordinary course of business and on an arm's length basis. Consequently, as all related party transactions were conducted in the ordinary course of business and on an arm's length basis, Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

Details of the related party transactions, as per Ind AS-24, have been disclosed in the notes to the standalone/consolidated financial statements forming part of the Annual Report 2023-2024. Additionally, disclosures of related party transactions in the format specified by the SEBI, have been submitted to the stock exchanges. These disclosures can be accessed on the Company's website at <https://www.mspsteel.com/investors/stock-exchange-compliances/related-party-transaction>

20. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

- b) 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 March 31, 2024 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) 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.

21. SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2), issued by Institute of Company Secretaries of India.

22. LISTING ON STOCK EXCHANGES

The Company's shares are listed on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

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

The relevant information as required under sub-section (3)(m) of Section 134 the Act read with

Board's Report (Contd.)

Companies (Accounts) Rules, 2014 are given in **Annexure-4** to the Board's Report.

24. AUDITORS & AUDITOR'S REPORT

Statutory Auditors

M/s S.K. Agrawal & Company, Chartered Accountants (Firm Registration No. 306033E), Chartered Accountants, were appointed as Auditors of the Company, for a term of 2 (two) consecutive years, at the Annual General Meeting held on September 27, 2022 till the conclusion of AGM of the Company to be held for the Financial Year 2023-24. The Board of Directors place on record their appreciation for the services rendered by M/s S.K. Agrawal & Company as Statutory Auditors.

The provisions regarding rotation of auditors, as prescribed under the Act, are applicable to the Company. Hence, it is proposed to appoint M/s. Singhi & Co (Firm Registration No. 302049E), as the Statutory Auditors of the Company, for a period of five years, to hold office from the conclusion of this 55th AGM till the conclusion of the 60th AGM to be held for the financial year ended March 31, 2024, subject to the approval of the Members.

Accordingly, an item for appointment of M/s. Singhi & Co (Firm Registration No. 302049E) as the Statutory Auditors of the Company is being placed at the ensuing AGM for approval of the Members. Information about the proposed appointment of statutory auditor is given in the Notice of AGM, which forms part of this Annual Report. The Board recommend their appointment to the Members.

The Statutory Auditors' Report forms part of the Annual Report as an integral part, it does not contain any qualification, reservation or adverse remark for the year under review. There was no instance of fraud during the year under review to report to the Audit Committee and/ or Board under Section 143(12) of Act and Rules framed thereunder.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Company had appointed M/s. Bajaj Todi & Associates, Practicing Company Secretaries, (Membership Number ACS:

13216 COP: 3502) to undertake the Secretarial Audit of the Company for the FY 2023-24, based on consent received from M/s. Bajaj Todi & Associates.

The Secretarial Audit Report for the financial year 2023-24 under the Act read with Rules made thereunder and Regulation 24A of the Listing Regulations, is set out in **Annexure - 5** to this Report.

The Secretarial Audit Report (MR-3) for FY 2023-2024 does not contain any qualification, reservation or adverse remarks.

Cost Auditor

The Company has maintained cost records as specified by the Central Government under Section 148(1) of the Act. Mr. Sambhu Banerjee, Cost Auditor (Membership No. 9780), has carried out the cost audit for applicable products during the financial year 2023-24.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed Mr. Sambhu Banerjee, Cost Auditor (Membership No. 9780), as the Cost Auditors of the Company to conduct the audit of cost records of products for the financial year 2023-24. Mr. Sambhu Banerjee, being eligible, had consented to act as the Cost Auditors of the Company for the financial year 2023-24.

The Cost Audit Report for the financial year 2023-2024 does not contain any qualification, reservation, or adverse remark.

25. REPORTING OF FRAUD

The Auditors of the company have not reported any fraud as specified under Section 143(12) of the Act. Further, no case of Fraud has been reported to the Management from any other sources.

26. INTERNAL FINANCIAL CONTROL AND INTERNAL AUDIT SYSTEM AND THEIR ADEQUACY

The Company has adopted and implemented robust policies and procedures for ensuring the orderly and efficient conduct of its business. The

Board's Report (Contd.)

framework has been meticulously designed to align with the size, scale, and complexity of our operations.

Its primary objectives include safeguarding our assets, ensuring compliance with all relevant laws, preventing and detecting fraud, maintaining the accuracy and completeness of our accounting records, and ensuring the timely preparation of reliable financial disclosures.

The Company has documented its internal financial controls considering the essential components of various critical processes, both physical and operational. This includes its design, implementation and maintenance along with periodic internal review.

27. SIGNIFICANT AND MATERIAL ORDERS

There are no such significant or material orders passed by the regulators or courts or tribunals impacting the going concern status of the company's operation in future.

28. INVESTOR SERVICES

The Company along with its Registrar M/S KFin Technologies Limited (KFintech) manages both physical and dematerialized (demat) work, as well as shareholder correspondence, in accordance with SEBI directives for a common Registrar and Share Transfer Agent. They have consistently strived to provide satisfactory service to our investors.

29. LISTING FEES

The listing fees payable for the financial year 2023-2024 have been paid to Bombay Stock Exchange(BSE) and National Stock Exchange of India Limited (NSE) within due date.

30. AWARDS AND RECOGNITIONS

During the year under review, our company received recognition from several esteemed institutions,

and we are proud to share some of the awards presented to us:

1. Awarded "BRAND LEADERSHIP AWARD" presented by EIILM, Kolkata.
2. Recognized "BEST WORKPLACES IN CEMENT AND BUILDING MATERIALS" presented by INDIA, 2024.
3. Awarded "15th VISWAKARMA AWARD" by CIDC.
4. Recognized as "EPITOME OF NEW AGE SUCCESS" by Marksmen daily.

31. OTHER DISCLOSURES/REPORTING

- i) None of the Directors of the Company have resigned during the year under review.
- ii) There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this report.
- iii) There is no change in the nature of business of the Company during the year under review.
- iv) The Managing Director of the Company has not received any remuneration or commission from any of the subsidiary companies. Further the Company doesn't have any Holding Company.
- v) The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- vi) The Company has not issued any sweat equity shares to its directors or employees.
- vii) There was no revision of financial statements and Board's Report of the Company during the year under review.
- viii) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code,

Board's Report (Contd.)

2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

- ix) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.
- x) The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company;
- xi) The Company's securities were not suspended during the year under review;

32. ANNEXURES FORMING PART OF THIS REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form part of this Report:

Annexure	Particulars
1	FORM AOC-1
2	Corporate Social Responsibility for the F.Y. 2023-24
3	Statement of Disclosures on remuneration of directors and employees of the Company
4	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
5	Secretarial Audit Report

Date: 14th August, 2024
Place: Kolkata

For and behalf of the Board
MSP STEEL & POWER LIMITED

Saket Agrawal
DIN: 00129209
(Managing Director)

Suresh Kumar Agrawal
DIN: 00587623
(Chairman)

Annexure-1

FORM AOC-1

(Pursuant to first proviso to sub - section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries / associate companies /joint ventures

Part "A": Subsidiaries

(₹ In lakhs)

		2023-24	2023-24
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period		
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Rupees	Rupees
3	Share Capital	58.07	8.95
4	Reserves & Surplus	-31.30	71.55
5	Total assets	84.50	172.02
6	Total liabilities	84.50	172.02
7	Investment	0	0
8	Turnover	0	0
9	Profit before taxation	-1.97	-2.59
10	Provision for taxation	0	0.80
11	Profit after taxation	-1.97	-3.40
12	Proposed Dividend	0	0
13	% of Shareholding	100.00	63.69

Part "B": Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Ventures

(₹ In lakhs)

Name of Joint Ventures	MADANPUR SOUTH COAL COMPANY LTD
REPORTING CURRENCY	RS.
1. Latest audited Balance Sheet Date	March 31, 2024
2. Shares of Joint Ventures held by the company on the year end	
Number	94,427
Amount of Investment in Joint Ventures	
Extend of Holding %	14.90%
3. Description of how there is significant influence	Joint Venture
4. Reason why the joint venture is not consolidated	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	84.01
6. Profit / Loss for the year	
i. Considered in Consolidation	1.09
ii. Not Considered in Consolidation	Nil

For and on behalf of the Board of Directors

Suresh Kumar Agrawal

Chairman
(DIN: 00587623)

Saket Agrawal

Managing Director
(DIN: 00129209)

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary
Mem. No. A41041

Date: 14th August, 2024

Place: Kolkata

Annexure-2

Corporate Social Responsibility for the F.Y. 23-24 (Pursuant to Section 135 of the Companies Act, 2013)

1. Brief outline on CSR Policy of the Company: Corporate Social Responsibility is a process whereby the Company integrates social and environmental concerns in their business operations in a way through which a Company achieves a balance of social, economic and environmental imperatives and at the same time meeting expectations of stakeholders and enhancing shareholders value.

Your Company understands the need of promoting social well-being of the weaker section of the society. As a part of initiative under Corporate Social Responsibility the Company has undertaken various projects to promote health, growth & development, and education in the rural areas.

The CSR Policy of the Company is available at: www.mspsteel.com

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Manish Agrawal	Chairman	1	1
2	Mr. Saket Agrawal	Member	1	1
3	Mr. Prateek Bansal	Member	1	1

*The committee has been reconstituted on 14th August, 2024. Details of such reconstitution are available on <https://www.mspsteel.com/>

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company at www.mspsteel.com
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NA
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Lacs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-2021	156.76	0
2	2021-2022	160.82	0
3	2022-2023	194.38	0
TOTAL		511.96	0

- Average net profit of the company as per section 135(5): **Rs. (189.08) Lakhs**
- (a) Two percent of average net profit of the company as per section 135(5): **Rs. (3.78) Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NA**
- (c) Amount required to be set off for the financial year, if any: **NA**
- (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. (3.78) Lakhs**

Annexure-2 (Contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs.in Lacs)	Amount Un spent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
NIL					

(b) Details of CSR amount spent against ongoing projects for the financial year: NA

NIL									

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project.		(6) Amount spent in the current financial Year (in Rs.)	(7) Mode of Implementation- Direct (yes/No).	(8) Mode of Implementation- Through Implementing Agency	
				(State)	(District)			Name	CSR Registration number.
1.	Eradication Of Illiteracy	(ii)	Yes	Chhattisgarh	Raigarh	1,12,20,384	Yes		
2.	Healthcare	(i)	Yes	Chhattisgarh	Raigarh	6,88,897	Yes		
3.	Infrastructural Development	(i)	Yes	Chhattisgarh	Raigarh	1,15,96,167	Yes		
4.	Social Activity	(iv) & (v)	Yes	Chhattisgarh	Raigarh	1,42,247	Yes		
TOTAL						2,36,47,695			

(d) Amount spent in Administrative Overheads- **NIL**

(e) Amount spent on Impact Assessment, if applicable - **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **NA**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs.in Lacs)
(i)	Two percent of average net profit of the company as per section135(5)	Nil
(ii)	Total amount spent for the Financial Year	236.47
(iii)	Excess amount spent for the financial year[(ii)-(i)]	236.47
(iv)	Surplus arising out of the CSR projects or programmes or Activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	236.47

Annexure-2 (Contd.)

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):NA

NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s) -None
- (b) Amount of CSR spent for creation or acquisition of capital asset- Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5)- Not Applicable

For **MSP Steel & Power Ltd**

Date: 14th August, 2024
Place: Kolkata

Sd/-
Manish Agrawal
Chairman
CSR Committee

Sd/-
Saket Agrawal
Member

Annexure-3

Statement of Disclosure under section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Director	Designation	Remuneration in 2023-24	Remuneration in 2022-23	% increase in remuneration in the FY 23-24	Ratio of Remuneration of each Director to median remuneration of employees
Saket Agrawal	Managing Director	59.57	58.67	1.51	59.57:3.52
Suresh Kumar Agrawal	Chairman- Non Executive Director	56.93	55.89	1.83	56.93:3.52
Manish Agrawal	Non-Executive Director	56.22	55.45	1.37	56.22:3.52
Pradip Kumar Dey	Non-Executive Director	Nil	Nil	Nil	0:3.52
Ashok Kumar Soin	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Navneet Jagatramka	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Suneeta Mohanty	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Prateek Bansal	Non-Executive Independent Director	Nil	Nil	Nil	Nil
Kamal Kumar Jain	Chief Financial Officer	38.97	34.75	10.83	Not Applicable
Shreya Kar	Company Secretary	10.74	9.45	12.01	Not Applicable
Total		222.43	214.21	27.55	

- i. The median remuneration of employees of the Company during the financial year was approximately Rs. 3,51,660/-
- ii. There has been increase in the median remuneration as compared to the previous year.
- iii. There were 1198 permanent employees on the rolls of Company as on March 31, 2024;
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2023-24 is 5.58%
- v. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, and other employees.

Annexure-4

Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchanges Earning & Outgo:

Pursuant Section 134(3) (m) of the Companies Act, 2013 read with relevant Rule 8(3) of Companies (Accounts) Rules, 2014 Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo relating to the financial year ended 31st March, 2024 are as follows:

A. Conservation of energy-

In FY 2023-24, in sync with MSP Steel's sustainability vision and goals, the Company continued to focus on energy efficiency measures. The Company deployed several initiatives and technological interventions to conserve energy and use renewable sources of energy. The Company is always conscious about the need for energy conservation. Continuous monitoring optimization of energy conservation is undertaken at plant level.

1. Prevention/minimization - Preventing wastage/ minimisation of energy usage by relentless optimisation of process parameters to achieve lower values of fuel / energy consumption.
2. Improving Recovery – deploying innovative methods of recovering higher amounts of unused fuel heat in various process exhausts / recovery systems.

i. Steps taken for conservation of energy:

Chhattisgarh

- VFD implementation in cold well Pump-2&4 in CPP-1 24MW Recasting of DRI kiln-1 & 2 to reduce radiation loss
- VFD implementation in Condensate Extraction Pump-1 in TG-2 (12MW) in CPP-1
- Old impeller replaced with new efficient impeller in Cold Well pump-2 in 18MW TG.
- Refurbishment of 18MW TG to improve specific steam consumption.
- Correction of Auto recirculation valve in Boiler Feed pump line to reduce power consumption
- Oversized motor replaced with lower sized motor in CPP-2 Cooling tower Fan-3&4 to reduce power consumption.
- Pellet-1 specific energy consumption improvement by enhancing production capacity and better utilization of kiln hot flue gas in TG.

- Ball Mill-1 Liner and Lifting bar modification to improve specific power consumption in Benification-1
- Optimization radiation loss by recasting with Microporous ceramic board in Kiln-1&4 in Sponge Iron division.
- Energy efficient LED lights in place of conventional lights

ii. Steps taken by the company for utilizing alternate sources of energy:

Chhattisgarh

During FY 2023-24, MSP is under the process of implementing 1 MW ground mounted Solar PV for captive usage.

iii. Capital investment on energy conservation equipments:

Sl. No.	Particular	Rs. Lacs
Chhattisgarh		
1.	Cost of VFD for CWP & CEP	23.51
2.	Cost of New CWP impeller	2.45
3.	18 MW Refurbishment Cost	180
4.	2X 37 kW Motor	3.44
5	Cost of castable material for Kiln	62.2
6	Pellet-1 Kiln & System modification	341
7	Ball Mill Liner and Lifter bar modification	16

B. Research and Development-

Chhattisgarh

i. Specific areas in which R&D activities were carried out by the company:

Research and Development (R&D) activities at MSP Steel involves new Process and Product development, process improvements for maximisation of quality, cost and energy optimisation, waste utilisation and conservation of natural resources.

Annexure-4 (Contd.)

The key focus includes:

- Optimising of resource utilisation.
- Quality & productivity improvements and cost optimization through process efficiency improvements.
- Product development, customisation and new applications.
- Recycling and reuse of process waste and conservation of natural resources.
- Developing technology for treating low grade iron ores, dry beneficiation of iron ores, and demonstration of pilot scale facilities.
- New application developments and promotion of slag usage in the country.
- New process technology development for process intensification and productivity.
- Usage of small pieces of scrap instead of large size scrap in SMS to reduce power consumption as well as production improvement.
- Online equipment conditioned monitoring to check Vibration, Temperature, Noise in desktop as well as Mobile App.
- Online effluent quality monitoring system for monitoring PH, TSS, COD & BOD

ii. Benefits derived as a result of R&D efforts:

- Developed fly ash binder (fly ash more than 55%) for interior wall plaster.
- Utilize Fly ash in combination of cement in brick making with desired compressive strength.
- Developed machine learning based for real-time monitoring at Pellet Plant enabling real-time monitoring of critical process parameter.
- Online Equipment condition monitoring provide alarm if any deviation occurs from the set value.
- Online effluent quality monitoring system (EQMS) provide better quality of recycled water for inhouse usages.

iii. The expenditure incurred on Research and Development:

The Company has incurred approximately Rs 30 lakh expenditure mainly for online Conditioned monitoring and EQMS so far. The Company, however, has a full-fledged laboratory at its integrated steel plant for testing of raw materials and the finished products.

C. Technology absorption- Chhattisgarh

i. the efforts made towards technology absorption:

No major technology has been adopted by the Company during the year.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution: N.A

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

- a. the details of technology imported: N.A
- b. the year of import: N.A
- c. whether the technology has been fully absorbed: N.A
- d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A

D. Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	23-24	(Rs. In Lakhs) 22-23
Foreign Exchange Earned	-	-
Foreign Exchange Used	12,285.99	6,185.06

Annexure-5

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

MSP Steel and Power Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MSP Steel and Power Limited** (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, 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 Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the 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;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Depository and Participants) Regulations, 2018
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [replaced by Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 w.e.f 10/06/2021]; and
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

Annexure-5 (Contd.)

3. The Company is in the business of manufacturing of steel & sponge iron. The following Acts, over and above other laws etc., are applicable to the Company:
 - Indian Contract Act, 1872
 - Factories Act, 1948
 - Income Tax Act, 1961 and Indirect Tax Laws
 - Hazardous Wastes (Management and Handling) Rules, 1989 and Amendment Rules, 2003
 - Environment Protection Act, 1986 and other Environmental Laws.
 - All applicable Labour Laws
4. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s) as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that under the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder, there were no External Commercial borrowings made, Foreign Direct Investment received, Overseas Direct Investment by Residents in Joint venture/Wholly Owned Subsidiary abroad received, during the financial year under report.
6. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
7. As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
8. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
9. We further report that:
 - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - (b) 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.
10. We 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 Bajaj Todi & Associates

(Swati Bajaj)

Partner

Place : Kolkata

Date: 8th August, 2024

C.P.No.: 3502, ACS:13216

UDIN : A013216F000935566

'Annexure A'

To,
The Members
MSP Steel and Power Limited

Our report of even date is to be read along with this letter.

MANAGEMENT'S RESPONSIBILITY

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

AUDITOR'S RESPONSIBILITY

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

DISCLAIMER

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Bajaj Todi & Associates

(swati Bajaj)
Partner

Place : Kolkata
Date: 8th August, 2024

C.P.No.: 3502, ACS:13216
UDIN : A013216F000935566

Report on Corporate Governance

FOR THE YEAR 2023-24

(Pursuant to Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended)

1. MSP'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

"Corporate governance is the framework that bridges the gap between management and shareholders, fostering trust and accountability."

At MSP Steel & Power Limited ("MSP Steel"), corporate governance is an ongoing commitment. Our business objectives are dedicated to enhancing the well-being and welfare of all stakeholders within our ecosystem. We implement effective governance practices that ensure transparent and open communication to protect shareholders' interests, and hold management accountable for their actions. Our approach prioritizes fostering a robust relationship of trust and accountability between management and shareholders. The essence of Corporate Governance is rooted in upholding integrity, transparency, and accountability within the management's highest echelons. The Company has established a robust framework for Corporate Governance by assembling a Board comprised of distinguished and reputable experts. This foundation is strengthened by a core team of top-level executives, the recruitment of skilled professionals throughout the organization, and the implementation of advanced systems, processes, and technologies.

As we enter the next phase of our journey, we remain committed to continuous improvement in our corporate governance practices. We will stay vigilant in upholding our principles, staying current with regulatory changes, and adopting best practices to enhance our governance framework. Through these efforts, we aim to foster trust, inspire confidence, and create sustainable value for our shareholders and stakeholders.

In conclusion, our commitment to strong corporate governance is fundamental to our identity as an organization. It guides our decisions, embodies our values, and underpins our success. We proudly present our annual report, detailing our advancements in corporate governance and

reaffirming our commitment to ethical practices, transparency, and accountability.

The Board of MSP Steel comprises of Board of Directors, various Board committees and the management who plays a crucial role in shaping the company's strategies, regularly assessing performance, and ensuring that targets and objectives are consistently achieved. Acting in a fiduciary capacity, the Board exercises prudent control and independent judgment, ensuring effective governance and guiding strategic decisions to benefit shareholders and other stakeholders.

2. BOARD OF DIRECTORS

The Company has a balanced mix of Executive Directors, Non-Executive Directors, and Independent Directors. As of March 31, 2024, the Board of Directors comprised of Eight Directors, of which One is Executive Director, Three are Non-Executive Directors and Four are Independent Directors including a Women Director. The Executive Directors and the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically approved by the shareholders. None of the Independent Directors of the Company serves as Independent Director in more than seven listed companies and where any Independent

Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies. All Independent Directors have given necessary declaration of independence under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations. In the opinion of the Board, the Independent Directors meet the requirements prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulation and are independent of the management.

The Board periodically evaluates the need for change in its composition and size. Detailed profile of our directors is available on our website at <https://www.mspsteel.com/about-us/board-of-directors>

Report on Corporate Governance (Contd.)

(a) Board Meetings & Procedures

The Company Secretary attends all the meetings of the Board and its Committees to advise and assure on compliance with applicable laws and governance principles.

The necessary quorum was present for all the meetings.

Board Composition and attendance at Board Meetings and Last Annual General Meeting and particulars of other Directorships, Chairmanships/Memberships:

Name of the Director	Category	Date of Joining Board	No. of Board Meeting Attended during the FY 2023-2024	Whether attended last AGM held on 19 th September, 2023	Number of Directorship in other public Companies (listed and unlisted excluding MSPL) ¹	No. of Committee Memberships and Chairmanship in other Companies ²		Directorship in Other Listed Entity and category of Directorship
						Chairman	Member	
Mr. Suresh Kumar Agrawal DIN: 00587623	Chairman/ Non-Executive Director	10 th August, 2004	11/12	Yes	4	NIL	1	Howrah Gases Limited (Managing Director/ Executive Director)
Mr. Saket Agrawal DIN: 00129209	Managing Director/ Executive Director	30 th September, 2003	11/12	Yes	4	NIL	NIL	-
Mr. Manish Agrawal DIN: 00129240	Non-Executive Director	5 th July, 2003	11/12	Yes	5	NIL	2	Danta Vyapar Kendra Ltd (Non-Executive Director)
Mr. Navneet Jagatramka DIN: 01579357	Non-Executive Independent Director	12 th December, 2003	7/12	No	NIL	NIL	NIL	-
Mr. Ashok Kumar Soin DIN: 02986145	Non-Executive Independent Director	21 st September, 2012	5/12	No	NIL	NIL	NIL	-
Mrs. Suneeta Mohanty DIN: 08398436	Non-Executive Independent Director	25 th March, 2019	8/12	Yes	2	3	6	Howrah Gases Limited (Independent Non-Executive Director)
Mr. Prateek Bansal DIN: 01836662	Non-Executive Independent Director	01 st September, 2022	7/12	Yes	NIL	NIL	NIL	-
Mr. Pradip Kumar Dey ³ DIN: 00587842	Non-Executive Director	10 th January, 2023	12/12	Yes	2	NIL	1	-

Notes:-

1. Excludes directorship in MSP Steel & Power Limited. Also excludes directorship in private companies, foreign companies, companies incorporated under Section 8 of the Act and alternate directorships.
2. For considering the limit of Committee membership and chairmanship of a Director, membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies/ public listed have been considered. Also excludes the membership & chairmanship in MSP Steel & Power Limited.

Report on Corporate Governance (Contd.)

3. Mr. Pradip Kumar Dey has been appointed as a Non-Executive Director on 10th January 2023. His appointment was ratified by Shareholders vide passing of special resolution through Postal ballot deemed effective on 04th April 2023.
4. Details of Board Meeting held and attendance of each Director during F.Y 2023-24

Annexure	Board's Strength	Numbers of Directors Present
28 th April, 2023	8	6
29 th May, 2023	8	7
21 st June, 2023	8	5
10 th August, 2023	8	5
18 th August, 2023	8	7
08 th September, 2023	8	5
03 rd October, 2023	8	6
08 th November, 2023	8	7
18 th December, 2023	8	6
18 th January, 2024	8	6
12 th February, 2024	8	6
30 th March 2024	8	7

Board Procedures

The Boards meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses.

Your Company holds at least four Board Meetings in a year, one in each quarter to review the financial results and other items of the agenda. Apart from the four scheduled Board meetings, additional Board meetings are also convened to address the specific requirements of the Company.

In order to facilitate effective discussions at the virtual meetings, the agenda of the meetings of the Board is bifurcated into items requiring approval and items which are to be taken note of by the Board. Clarification(s)/ queries, if any, on the items which are to be noted/taken on record by the Board are sought in advance and resolved

before the meeting, to ensure focused and effective discussions at the meetings.

During the financial year 2023-24 twelve Board Meetings were conducted as against the minimum requirement of four Board Meetings and all the Board and Committee meetings were conducted through physical means. The intervening period between 2 (two) consecutive Board meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.

Disclosure of inter-se relationship between Directors

None of the Directors are relatives of other Directors except Mr. Suresh Kumar Agrawal, Chairman and Non-Executive Director who is father of Mr. Saket Agrawal, Managing Director of the Company. The term "relative" is considered as defined under Section 2(77) of the Act.

Report on Corporate Governance (Contd.)

Shareholding of Non-Executive Directors of the Company as on 31st March 2024 are given below:

1	Mr. Manish Agrawal	Non-Executive, Non-Independent	309,000	0.08
2	Mr. Suresh Kumar Agrawal*	Non-Executive, Non-Independent	141,000	0.04

Note: No Non-Convertible Instrument held by Non-Executive Directors of the Company.

*Does not include shares held by Suresh Kumar Agrawal HUF

Schedule IV of the Act, the Listing Regulations and SS – 1 mandate that the Independent Directors of the Company holds at least 1 (one) meeting in a year, without the attendance of Non-Independent Directors.

The Independent Directors convened an exclusive session, excluding Non-Independent Directors and management, to discuss matters they deemed pertinent. During the year under review, the meeting of Independent Directors was held on 08th November, 2023 at which all the Independent Directors were present except Mr. Ashok Kumar Soin who took leave of absence.

The Company has implemented a comprehensive induction policy for orienting and training Non-Executive Independent Directors. This policy is designed to familiarize them with the Company's management, operations, and the industry context. It includes interactions with Executive Directors, Senior Management, and Business CEOs, as well as visits to various company and plant locations.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company at the link: <https://www.mspsteel.com/about-us/corporate-policies>

The Board of Directors plays a crucial role in the governance and strategic direction of a company.

- INDUSTRY KNOWLEDGE:** Comprehensive understanding of the steel industry, encompassing market trends, supply and demand dynamics, raw material

sourcing, pricing fluctuations, and the competitive landscape.

- FINANCIAL ACUMEN:** Advanced financial expertise to analyze the company's financial performance, evaluate capital allocation decisions, and assess investment opportunities in new technologies and expansion projects.
- OPERATIONS AND SUPPLY CHAIN MANAGEMENT:** In-depth knowledge of steel production processes, plant operations, and supply chain logistics to optimize efficiency, reduce costs, and ensure timely delivery of products.
- REGULATORY COMPLIANCE:** Comprehensive awareness of the complex regulatory environment governing the steel industry, including environmental regulations, safety standards, and trade policies.
- RISK MANAGEMENT:** Expertise in identifying and managing industry-specific risks, such as fluctuations in raw material prices, currency exchange rates, and geopolitical factors impacting steel production and distribution.
- MARKET DEVELOPMENT AND SALES STRATEGY:** Deep understanding of customer needs, market segmentation, and sales strategies to expand market share and enhance customer relationships.
- TECHNOLOGICAL INNOVATION:** Proficiency in emerging technologies in steel production, process automation, and energy efficiency to drive innovation and maintain competitiveness.

Report on Corporate Governance (Contd.)

- HEALTH, SAFETY, AND ENVIRONMENT (HSE):** Strong commitment to HSE practices, ensuring a safe working environment for employees and compliance with environmental regulations.
- CORPORATE GOVERNANCE AND ETHICS:** Dedication to upholding robust corporate governance principles and promoting ethical behavior throughout the organization.
- SUSTAINABILITY AND ESG (ENVIRONMENTAL, SOCIAL, AND GOVERNANCE):** Insight into the importance of sustainability initiatives and the integration of ESG factors into business strategies.
- STAKEHOLDER ENGAGEMENT:** Proven ability to engage effectively with various stakeholders, including shareholders, employees, local communities, and governmental authorities.

Chart of all the skills/expertise/competencies reflected in the Board as on 31st March, 2024 are as follows: -

Skills	Name of Directors who have such skills / expertise / competence
Leadership qualities and in-depth knowledge and experience in general management	Suresh Kumar Agrawal, Manish Agrawal
Ability to analyse and understand the key financial statements, experience in the fields of taxation, audit, financial management, banking, insurance and investments, treasury, fund raising and internal controls	Suresh Kumar Agrawal, Manish Agrawal, Saket Agrawal, Saket Agrawal, Navneet Jagatramka
Corporate Matters, Governance, Companies Act and other Listing Regulations	Pradip Kumar Dey
Industry experience in Infrastructure and Railways in India and international projects	Suresh Kumar Agrawal, Manish Agrawal, Saket Agrawal, Ashok Kumar Soin
Interpersonal relations, human resources management, communication, corporate social responsibility including environment and sustainability	Saket Agrawal, Pradip Kumar Dey, Suneeta Mohanty
Information Technology	Manish Agrawal, Prateek Bansal
Strategy and Decision Making	Suresh Kumar Agrawal, Saket Agrawal

3. COMMITTEES OF BOARD OF DIRECTORS

The Board currently has four Committees:

- Audit Committee,**
- Nomination and Remuneration Committee,**
- Stakeholders Relationship Committee,**
- Corporate Social Responsibility Committee.**

A. Audit Committee:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulations, and Section 177 of the Act, as

applicable along with other terms as referred by the Board of Directors.

The terms of reference of the Audit Committee are:

- Review and approval of the company's financial statements and related disclosures;
- Oversight of the external audit process, including the appointment and evaluation of the external auditor;

Report on Corporate Governance (Contd.)

3. Review of significant accounting policies and practices;
4. Evaluation of the adequacy and effectiveness of internal controls and risk management;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
6. Laying down the criteria for granting omnibus approval in accordance with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
7. Monitoring compliance with legal and regulatory requirements, including the company's code of conduct and whistle-blower policy;
8. Review of related party transactions and potential conflicts of interest;
9. Assessment of the performance and independence of the internal audit function;
10. Undertaking any other matters as may be prescribed under law or as the Board may decide from time to time.

During the Financial year under review, the Audit Committee met 5 times on 29th May 2023; 10th August 2023; 18th August 2023; 8th November 2023; and 12th February 2024. The time gap between any two meetings did not exceed one hundred and twenty days. The required quorum of 2 members (with at least 2 Independent Directors) was present at all the meetings. The Company Secretary acted as Secretary to all the Committee meetings.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24, is detailed below:-

Sr No	Name of Members	Category	Nature of Membership	Number of Meeting		% of total meetings attended
				Hold	Attended	
1	Mrs. Suneeta Mohanty	Independent Director	Chairperson	5	5	100%
2	Mr. Navneet Jagatramka	Independent Director	Member	5	4	80%
3	Mr. Prateek Bansal	Independent Director	Member	5	4	80%
4	Mr. Saket Agrawal	Executive Director	Member	5	5	100%

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations, 2015 read with Section 178 of the Act.

This policy reflects our commitment to sound corporate governance, attracting and retaining top talent, and aligning executive compensation with the long-term interests of shareholders.

The terms of reference of this Committee are as follows:

1. Identifying and recommending candidates for appointment or reappointment to the board, including independent directors;
2. Evaluating the skills, knowledge, and experience required of board members and making recommendations for board diversity

Report on Corporate Governance (Contd.)

3. Reviewing and recommending the remuneration policies and packages for directors and executives, ensuring they align with company strategy and performance;
4. Devising a policy on Board diversity;
5. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
6. Overseeing and approving the remuneration structure, including salary, bonuses, benefits, stock options, and other incentives for executives.;
7. Determining 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;
8. Recommend to the board, all remuneration, in whatever form, payable to senior management;
9. Overseeing the company's succession planning process for key executives and directors.
10. Reviewing and recommending governance policies and practices related to board effectiveness and corporate governance.
11. Undertaking any other matters as may be prescribed under law or as the Board may decide from time to time.

During the Financial year under review, the Nomination and Remuneration Committee met 2 times on 18th August 2023, and 03rd October 2023. The required quorum of 2 members (with at least 1 Independent Director) was present at the meeting. The Company Secretary acted as Secretary to the Committee meetings.

The composition of the NRC of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24, is detailed below:

Sr No	Name of Members	Category	Nature of Membership	Number of Meeting		% of total meetings attended
				Held	Attended	
1.	Mr. Prateek Bansal	Independent director	Chairman	2	1	50%
2.	Mr. Navneet Jagatramka	Independent director	Member	2	2	100%
3.	Mr. Manish Agrawal	Non executive director	Member	2	2	100%

Report on Corporate Governance (Contd.)

Performance Evaluation Criteria for Independent Directors

The performance evaluation of an Independent Director, which excludes the director being evaluated, considers the following specific issues and questions:

1. Attendance and participation in meetings, and timely input on the minutes.
2. Adherence to the company's ethical standards and code of conduct, including the disclosure of non-independence and any conflicts of interest.
3. Raising valid concerns to the Board and constructively contributing to issue resolution during meetings.
4. Maintaining positive interpersonal relationships with other Directors and management.
5. Objectively evaluating the Board's performance and providing independent, unbiased opinions.
6. Understanding the company and its external environment, and contributing to strategic direction.
7. Safeguarding whistle-blowers under the vigil mechanism and protecting confidential information.
8. Assessing qualifications, experience, knowledge, and competency; fulfillment of functions; ability to function as a team; initiative; availability and attendance; commitment; contribution; integrity; independence; and independent views and judgment.

The Board unanimously expresses their consent as based on above criteria by given ratings within a scale of 1-5, 5 being Surpasses Expectations and 1 being below Expectations.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company, among other things, stipulates

that the Nomination and Remuneration Committee shall establish the criteria for the appointment of Directors on the Board and senior management positions, including their remuneration, as outlined under Section 178 of the Act and Regulation 19 of the Listing Regulations.

The policy details:

1. The role of the Nomination and Remuneration Committee.
2. The remuneration policy for directors, key managerial personnel, and other employees.

This policy underscores our commitment to maintaining a robust governance framework, attracting top talent, and fostering a culture of performance and accountability.

The remuneration paid to the Directors aligns with the Company's Remuneration Policy. The Board revised the Nomination and Remuneration Policy during the year to ensure its continued relevance and compliance with applicable laws and regulations. The updated policy is available on the Company's website at [MSP Steel Nomination and Remuneration Policy](https://www.mspsteel.com/about-us/corporate-policies).

<https://www.mspsteel.com/about-us/corporate-policies>

B. Stakeholders Relationship Committee (SRC):

The Stakeholders Relationship Committee plays a crucial role in maintaining open communication channels with various stakeholders, ensuring their interests are safeguarded, and fostering strong relationships with our extended business community. The Stakeholders Relationship Committee has been constituted to specifically look into the various aspects of interest of shareholders, debenture holders and other security holders, in terms of the provisions of Section 178 of the Act and Regulation 20 read with Part D of the Schedule II of The Listing Regulations.

Report on Corporate Governance (Contd.)

Terms of Reference:

1. Overseeing the development and implementation of stakeholder engagement strategies and policies.
2. Monitoring and responding to stakeholder concerns, received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.
3. Reviewing the company's communication and disclosure practices to ensure transparency and open communication with stakeholders;
4. Issuing share certificates pursuant to duplicate/ remat / renewal requests as and when received by the Company;
5. Overseeing the company's initiatives related to corporate social responsibility, sustainability, and community engagement;
6. Assessing the effectiveness of the company's efforts to meet stakeholder expectations and interests;
7. Resolving the grievances of the security holders of the listed entity including related to transfer/ transmission of shares, non - receipt of annual report, issue of new/ duplicate certificates, general meetings etc;
8. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of annual reports/ statutory notices by the shareholders of the Company.
9. Undertaking any other matters as may be prescribed under law or as the Board may decide from time to time.

Composition of Stakeholders Relationship Committee, Meetings and Attendance:

During the Financial year under review, the Stakeholders Relationship Committee met 3 times on 10th August, 2023, 08th November, 2023 and 12th February 2024. The required quorum of 2 members were present at the meeting. The composition of the SRC of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24, is detailed below:

Sr No	Name of Members	Category	Nature of Membership	Number of Meeting		% of total meetings attended
				Held	Attended	
1	Mr. Prateek Bansal	Independent Director	Chairman	3	3	100%
2	Mr. Manish Agrawal	Non-Executive Director	Member	3	2	66.67%
3	Mr. Saket Agrawal	Executive Director	Member	3	3	100%

Name and Designation of Compliance Officer:

Name : Ms. Shreya Kar

Designation : Company Secretary & Compliance Officer

Address : South City Business Park, 10th Floor, 770, Anandapur, EM Bypass, Kolkata – 700107

Phone : 033-40005-7777

Email : shreya.kar@mspsteel.com

Report on Corporate Governance (Contd.)



The Committee's commitment to CSR remains an integral part of our business strategy as we strive to create a positive impact on society and contribute to sustainable development. The Board has also empowered the Committee to look into matters related to sustainability and overall governance.

Terms of Reference:

1. To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Act;
2. Developing and reviewing the company's CSR policy and strategy, including its environmental, social, and governance (ESG) priorities;
3. Overseeing the implementation of CSR programs and initiatives, ensuring they are aligned with the company's business values and contribute to sustainable development.
4. Monitoring and measuring the company's CSR performance and impact, including key performance indicators (KPIs) relevant to CSR and sustainability.

5. Assessing and advising on the company's social and community engagement programs and philanthropic activities.
- i. To review the CSR Policy and associated frameworks, processes and practices of the Company and make appropriate recommendations to the Board.
- ii. To ensure that the Company is taking the appropriate measures to undertake and implement CSR projects successfully and shall monitor the CSR Policy from time to time.
- iii. To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- iv. To coordinate with such other agency for implementing programs and executing initiatives as per CSR policy and shall review the performance of such other agency periodically.
- v. Undertaking any other matters as may be prescribed under law or as the Board may decide from time to time.

The Corporate Social Responsibility policy has been revised by the Board during the year under review to ensure its continued relevance and to align it with changes in applicable law and regulations. The CSR policy of the Company has been uploaded on the Company's website at <https://www.mspsteel.com/about-us/corporate-policies>

Composition of Corporate Social Responsibility Committee, Meetings and Attendance:

During the Financial year under review, the Corporate Social Responsibility Committee met 1 time on 30th March, 2024. The Company Secretary acted as Secretary to the Committee meetings. The composition of the CSR Committee along with the details of

Report on Corporate Governance (Contd.)

the meetings held and attended by the members of the Committee during the financial year 2023-24, is detailed below:-

Sr No	Name of Members	Category	Nature of Membership	Number of Meeting		% of total meetings attended
				Held	Attended	
1	Mr. Manish Agrawal	Non-Executive Director	Chairman	1	1	100%
2	Mr. Prateek Bansal	Independent Director	Member	1	0	0%
3	Mr. Saket Agrawal	Executive Director	Member	1	1	100%

4. REMUNERATION OF DIRECTORS

The committee reviews the remuneration policy periodically to ensure its alignment with company goals and industry standards. The policy is designed to attract and retain qualified directors, while also promoting responsible and sustainable governance practices.

A. Remuneration to Executive Director

Executive Directors receive monthly remuneration consisting of fixed components and variable performance incentives. Any annual increments are based on evaluations by the Nomination and Remuneration Committee. Remuneration complies with Schedule V of the Act, with shareholder approval obtained as required by relevant provisions of the Act and Listing Regulations.

B. Remuneration to Non- Executive Directors including Independent Directors

A Non- Executive Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be

decided by the Board. Fees and compensation, if any paid to Non-Executive Directors and/ or Independent Directors, is fixed by Board of Directors with recommendations of the Nomination and Remuneration Committee.

An Independent Director may receive remuneration by way of fee in conformity with the provisions of the Act, reimbursement of expenses for participation in the Board and other meetings and profit related commission as may be approved by the shareholders as recommended by the Committee and the Board.

There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the company. The Company does not have any Stock Option Scheme for its Executive or Non-executive Directors. There are no separate provisions for notice period or severance fees.

The NRC policy of the Company has been uploaded on the Company's website and can be accessed at <https://www.mspsteel.com/about-us/corporate-policies>

Report on Corporate Governance (Contd.)

C. The details of the remuneration paid to Directors for the financial year 2023–2024 are as follows:

Name	Salary (₹) (in Lakhs)	Perquisite/ Benefit, etc. (fixed component)	Performance Linked Incentive (Rs in Lakhs)	Period of Contract From
Mr. Suresh Kr. Agrawal (Chairman & Non-executive Promoter Director)	31.2	–	25.73	N.A
Mr. Manish Agrawal (Non-executive Promoter Director)	37.2	–	19.01	N.A
Mr. Pradip Kumar Dey (Non Executive Director)	NIL	NIL	NIL	NIL

D. The details of the remuneration paid to Executive Directors for the financial year 2023–2024 are as follows:

Name	Salary (₹) (in Lakhs)	Perquisite/ Benefit, etc. (fixed component)	Performance Linked Incentive (Per month) (Rs in Lakhs)	Period of Contract From
Mr. Saket Agrawal (Managing Director- Executive Director)	37.2	–	22.37	14 th November 2019 to 13 th November 2024

5. GENERAL BODY MEETINGS

A) Annual General Meeting

FINANCIAL YEAR	ANNUAL GENERAL MEETINGS(AGM)	DATE & TIME	VENUE	DETAILS OF SPECIAL RESOLUTION PASSED
2020-2021	52 nd AGM	17 th September, 2021 at 4.00 PM	Through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") Facility	<ul style="list-style-type: none"> Re-appointment of Mr. Kapil Deo Pandey (DIN 07208719) as an Independent Director of the Company

Report on Corporate Governance (Contd.)

FINANCIAL YEAR	ANNUAL GENERAL MEETINGS(AGM)	DATE & TIME	VENUE	DETAILS OF SPECIAL RESOLUTION PASSED
2021-2022	53 rd AGM	27 th September,2022 at 3.30 PM	Through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") Facility	<ul style="list-style-type: none"> To appoint M/s. S.K Agrawal & Co, Chartered Accountants LLP, Chartered Accountants as Statutory Auditors of the Company Appointment of Mr. Prateek Bansal (DIN 01836662) as an Independent Director
2022-2023	54 th AGM	19 th September,2023 at 12.00 PM	Through Video Conferencing/ Other Audio Visual Means ("VC/ OAVM") Facility	<ul style="list-style-type: none"> To Ratify the Remuneration payable to Mr. Sambhu Banerjee, Cost Auditor. To increase the Overall Maximum Managerial Remuneration payable to the Managerial persons of the company for the financial year 2023-2024. Payment of remuneration to Mr. Suresh Kumar Agrawal Non-Executive Director for the Financial Year 2022-23, above fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company.

Note: On 4th April,2024 for regularization of Mr Pradip Kumar Dey, Non-Executive Director of the Company through postal ballot under section 110 of the Companies Act, 2013 & Rules framed there now.

- B) Whether Special resolutions were put through Postal Ballot last year? - No**
- C) Are Special resolutions proposed to be put through Postal Ballot this Year? -No**
- D) During the year under review, no Extraordinary General Meeting of the members of the Company was convened.**

Report on Corporate Governance (Contd.)

6. MEANS OF COMMUNICATIONS

Financial Results:

Pursuant to the applicable regulations of The Listing Regulations, your Company publishes its financial results on quarterly, Half Yearly, Nine Monthly and Annual basis which are duly reviewed by the Audit Committee before submission to the Board and are submitted to the Stock Exchanges. Prior intimation of the Board Meeting to consider and approve Unaudited/ Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at <https://www.mspsteel.com/investors/financials>. The aforesaid Financial Results are immediately intimated to the Stock exchanges after the same are approved at the Board Meeting. The Unaudited Quarterly/Half Yearly Results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.

Financial Results	Date of Approval	Date of Submission
Un-audited Financial Results for the quarter ended 30 th June, 2023	10 th August, 2023	10 th August, 2023
Un-audited Financial Results for the quarter ended 30 th September, 2023	8 th November, 2023	8 th November, 2023
Un-audited Financial Results for the quarter ended 31 st December, 2023	12 th February, 2024	12 th February, 2024
Audited Financial Results for the year ended 31 st March, 2024	29 th May, 2024	29 th May, 2024

Publication of Financial Results:

The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are forthwith sent to the Stock Exchange and are published within 48 hours of the conclusion of the Board Meeting in which they are considered and approved, in one English newspaper and one vernacular newspaper of the region where Registered Office of the Company is situated. The results were published in the Business Standard in English and Arthik Lipi or Kalantar, in Bengali (a regional daily newspaper) during the financial year 2023-2024.

Company Corporate Website:

The Company's website serves as a comprehensive resource on MSP's management, vision, mission, policies, corporate governance, and sustainability initiatives. The investor relations section provides shareholders with detailed financial information, shareholding patterns, corporate benefits, and

information related to stock exchanges, as well as details about the Registrar and Share Transfer Agent.

The financial results, annual reports, official news releases and presentations if any along with any additional information are posted on website of the Company at <https://www.mspsteel.com>. There is a separate section "Investors" for shareholders information with sub-head "Financials" on the website of our Company whereby copy of the audited/ unaudited financial results for the respective quarters are posted.

Filing with BSE "Listing Centre"

Regulation 10 (1) of the SEBI (LODR) Regulations, BSE has mandated the Listing Centre as the "Electronic Platform" for filing all mandatory filings and any other information to be filed with the Stock Exchanges by Listed Entities. BSE also mandated XBRL submissions for Financial Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of

Report on Corporate Governance (Contd.)

Share Capital Audit Report & Voting Results etc. All the data relating to financial results, various quarterly, half yearly, nine monthly and annual submissions/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on the "Listing Centre" (<https://listing.bseindia.com>).

NSE Electronic Application Processing System (NEAPS)/ NSE Digital Portal

NSE Digital Portal/NEAPS is a web-based application designed by NSE for corporates. All the data relating to financial results, voting results, various quarterly, half yearly, annual submission/disclosure documents etc., have been filed Electronically/XBRL mode with the Exchange on New Digital Exchange Platform/NEAPS.

Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report along with relevant annexures, Business Responsibility/ Sustainability Report, Auditor's Report, and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

Press/News Releases and Presentation made to Institutional Investor or to the analyst:

The Company has not made any press release and presentation to Institutional Investor or to the analyst for the financial year 2023-2024

7. General Shareholder Information

A. Annual General Meeting (AGM) for the Financial Year 2023-2024

Day, Date and Time of Annual General Meeting	12 th September, 2024
Venue of the Annual General meeting	Annual General Meeting through Video Conference/ Other Audio-Visual Means [Deemed Venue for Meeting: Registered Office of the Company at South City Business Park, 10 th Floor, 770, Anandapur, EM Bypass, Kolkata – 700107]
Book Closure Date	Not Applicable as the Company is not declaring Dividend for the financial year 2023-2024
Financial Year	1 st April, 2023 to 31 st March, 2024
Dividend Payment Date	No dividend has been proposed

B. Tentative Calendar for Financial Year ending March 31, 2025 :

Financial Calendar[Current Financial Year 2024-2025]	Tentative Dates
First Quarter Results ending on 30 th June,2024	On or before 14 th August, 2024
Second Quarter & Half yearly Results ending on 30 th September, 2024	On or before 14 th November, 2024
Third Quarter & Nine Months Ended Results ending on 30 th December, 2024	On or before 14 th February, 2025
Fourth Quarter & Annual Audited Financial Results of the Current Financial Year ending on 31 st March, 2025	On or before 30 th May, 2025
AGM for the year ended 2024-25	On or before 30 th September, 2025

Report on Corporate Governance (Contd.)

C. Dividend

The Board of Directors did not declare any dividend for the financial year 2023-2024.

D. Stock Exchanges and Depositories:

Name and Address of Stock Exchange	<p>The equity shares of the Company are listed on</p> <p>1. National Stock Exchange of India Ltd. (NSE)</p> <p>Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051</p> <p>Tel. No.: (022) 2659 8100 – 8114</p> <p>Fax No.: (022) 2659 8120</p> <p>Website: www.nseindia.com</p>
Stock Code/ Symbol	<p>NSE:MSPL</p> <p>BSE:532650</p>
Payment of Listing Fees	<p>The annual listing fees for the financial year 2024-2025 have been paid to the above Stock Exchanges.</p>
Depositories	<p>1. National Securities Depository Limited</p> <p>Trade World, A Wing, 4th Floor Kamala Mills Compound, Lower Parel Mumbai – 400 013</p> <p>Tel. No.: (022) 2499 4200</p> <p>Email: info@nsdl.co.in</p> <p>Website: www.nsdl.co.in</p> <p>2. Central Depository Services (India) Limited</p> <p>Marathon Futurex, A-Wing, 25th Floor NM Joshi Marg, Lower Parel Mumbai – 400 013</p> <p>Toll free No.: 1800-225-533</p> <p>Email: complaints@cdsliindia.com</p> <p>Website: www.cdsliindia.com</p>

Report on Corporate Governance (Contd.)

E. ISIN for Depositories – INE752G01015

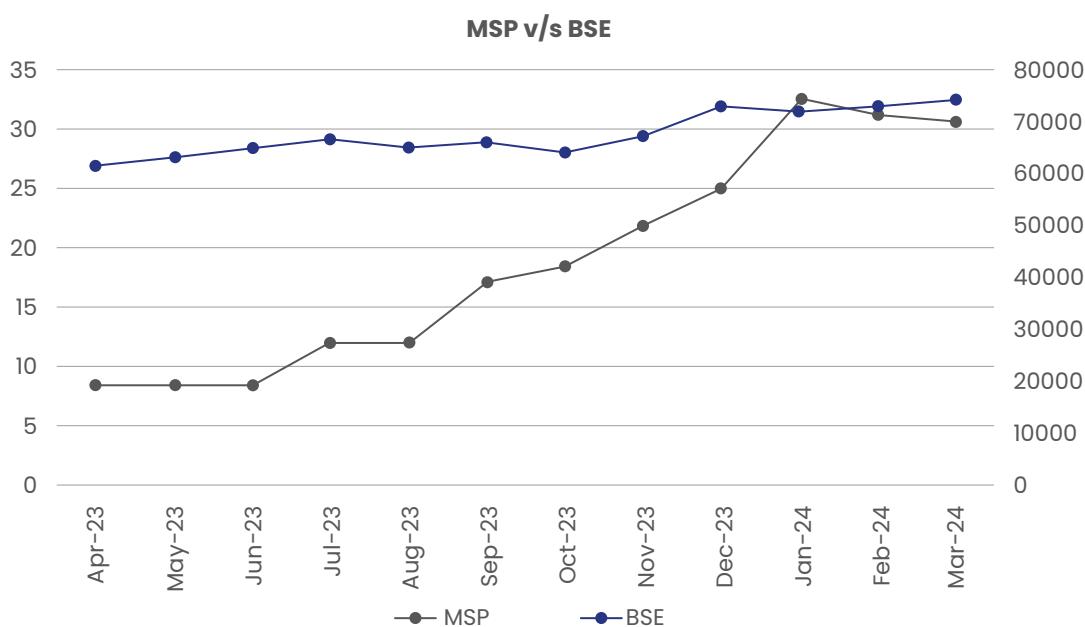
F. Stock Price Data:

The reported high and low closing prices of equity shares (in ₹) of the Company traded on NSE and BSE during the period under review are set out in the following table:

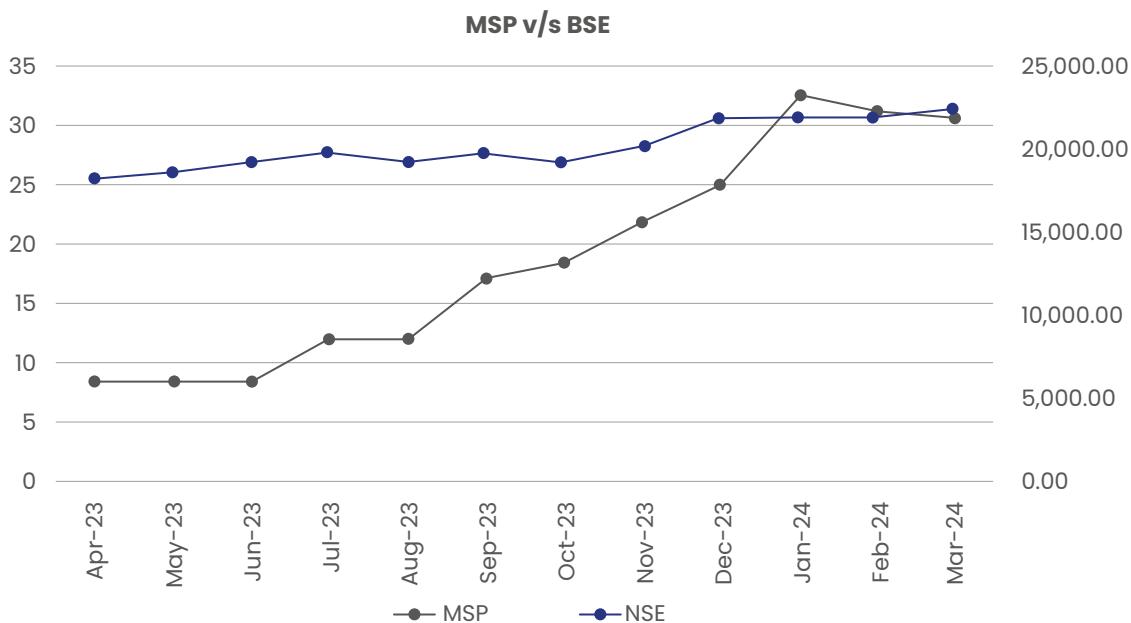
Month	Bombay Stock Exchange		National Stock Exchange	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-23	9.40	7.87	9.40	7.90
May-23	9.10	8.25	9.15	8.05
Jun-23	9.52	8.35	9.60	8.35
Jul-23	13.05	8.44	13.00	8.45
Aug-23	13.81	10.18	13.80	10.20
Sep-23	17.04	11.69	17.10	11.70
Oct-23	20.90	17.68	20.50	17.95
Nov-23	23.81	16.87	23.55	16.90
Dec-23	25.72	21.55	25.60	21.65
Jan-24	33.05	23.85	33.40	23.85
Feb-24	32.68	28.00	32.80	28.25
Mar-24	32.27	23.00	32.80	22.85

STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES

The chart below shows the comparison of the Company's monthly share price movement vis-à-vis the movement of the BSE Sensex and NSE Nifty for the financial year ended 31st March, 2024 (based on the month end closing):



Report on Corporate Governance (Contd.)



There was no suspension of trading in the Securities of the Company during the financial year 2023-2024 under review.

REGISTRARS & TRANSFER AGENT:

Name: Kfin Technologies Limited (Formerly Kfin Technologies Private Limited)

Address: Karvy Selenium Tower-B, Plot No.-31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telengana-500032

Ph. No.: (040) -2331-2454/2332

Fax No.: (040)-2331-1968

E-mail: compliance.corp@kfintech.com

Website: www.kfintech.com

Share Transfer System

Our share transfer process is designed to ensure efficiency, accuracy, and transparency, enabling seamless transactions for our valued shareholders. The Board approves for all confirmations for Transfer & Transmissions. Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market

by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 mandated the listed entities to issue securities for the following service requests only in dematerialised form:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal/Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division/Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios;
- vii. Transmission; and
- viii. Transposition.

The manner and process of making application as per the revised framework and operational guidelines thereto is available on the website of the RTA at <https://mfs.kfintech.com/investor>.

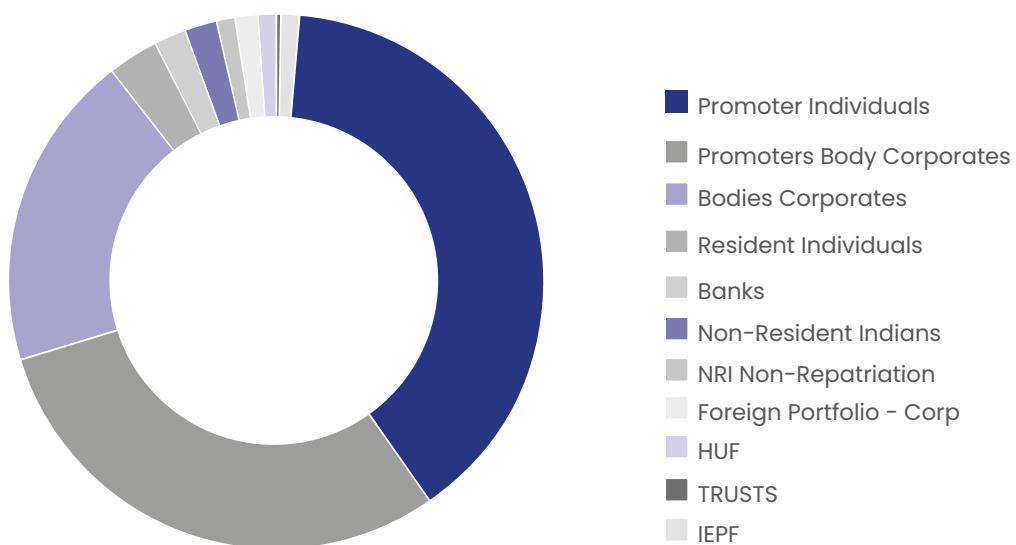
Report on Corporate Governance (Contd.)

The Company's shares are traded under compulsory dematerialized mode and are freely tradable. The Board of Directors have delegated the power to attend all the formalities relating to transfer of securities to the Registrar and Share Transfer Agent of the Company i.e Kfin Technologies Limited (Formerly Kfin Technologies Private Limited.). An annual certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.

Distribution of Shareholding as on 31st March, 2024

Sr No	Category	No. of Cases	% of Cases	Amount (in ₹)	% of Amount
1	1-5000	40,847	80.602640	4,20,66,640	1.09
2	5001- 10000	3,999	7.891154	3,48,83,710	0.91
3	10001- 20000	2,035	4.015628	3,30,92,330	0.86
4	20001- 30000	817	1.612171	2,16,73,240	0.56
5	30001- 40000	388	0.765633	1,42,87,300	0.37
6	40001- 50000	583	1.150423	2,83,12,290	0.73
7	50001- 100000	844	1.665450	6,92,40,610	1.80
8	100001 & Above	1,164	2.296900	3,61,05,93,880	93.68
Total:		50,677	100.00	3854150000.00	100.00

Equity Shareholding as on 31st March 2024



Report on Corporate Governance (Contd.)

Category	No. of Shares Held	% of Holding
Promoter Individuals	20,23,240	0.52
Promoters Body Corporates	1,583,82,285	41.09
Bodies Corporates	12,59,33,583	32.67
Resident Individuals	7,66,22,268	19.88
Banks	1,21,19,208	3.14
Non-Resident Indians	9,51,401	0.25
NRI Non-Repatriation	2,42,293	0.06
Foreign Portfolio - Corp	6,00,000	0.16
HUF	84,27,102	2.19
TRUSTS	50,001	0.01
IEPF	63,619	0.02
Total	3,854,15,000	100.00

Top Ten Shareholders for the year ended 31st March, 2024

Sr No	Name of Share holders	Total Shareholding	Percent to Capital
1	SWAGAT TREXIM PVT. LTD.	3,39,16,849	8.80
2	MOD COMMODEAL PVT. LTD.	3,14,99,538	8.17
3	SIKHAR COMMOTRADE PVT.LTD.	2,89,84,056	7.52
4	MSP SPONGE IRON LIMITED	2,47,36,500	6.42
5	ADHUNIK GASES LTD.	2,34,79,000	6.09
6	RANGAN PROJECTS PRIVATE	1,24,45,057	3.23
7	LARIGO INVESTMENT PRIVATE LIMITED	1,20,50,000	3.13
8	K. C. TEXOFINE PVT. LTD.	87,15,000	2.26
9	GILBART MERCHANTS PVT. LTD.	85,04,426	2.21
10	RAVI BUSINESS SERVICES PVT. LTD.	84,46,131	2.19
TOTAL		19,27,76,557	50.02

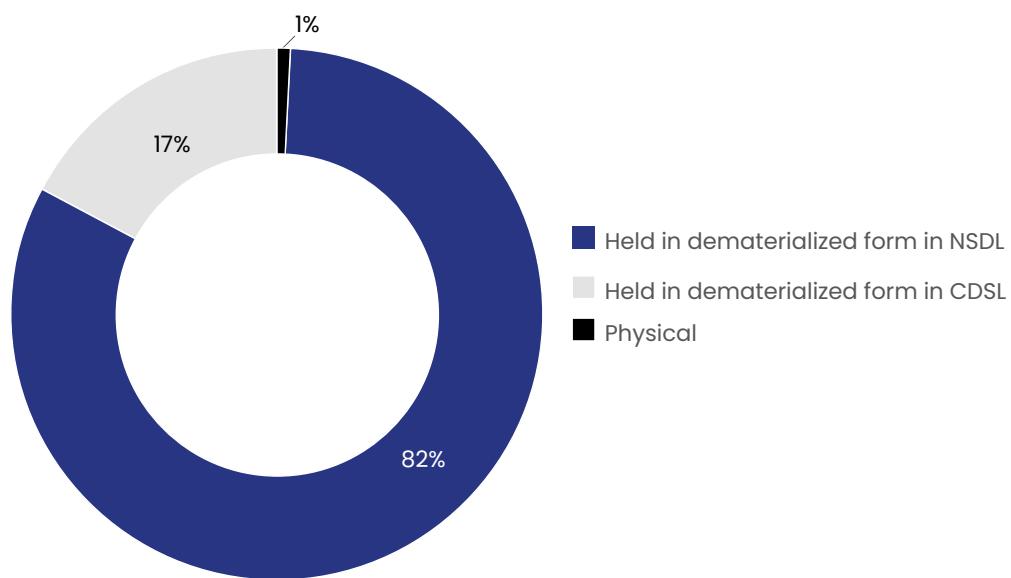
Report on Corporate Governance (Contd.)

O. Dematerialization of shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

99.54% of the total equity shares, are held in dematerialized form and 0.46% of the Equity Shares are held in physical form. The register of Members is being maintained by the RTA in electronic form. The dematerialization requests received, if any, during the year were confirmed within 21 days.

Dematerialization of shares



Name of Depository	No. of Shares	% of total issued Capital
Held in dematerialized form in NSDL	31,91,11,383	82.80
Held in dematerialized form in CDSL	6,45,42,491	16.75
Physical	1,761,144	0.46
Total	38,54,15,000	100

The Company's equity shares are actively traded shares on BSE and NSE. The shareholders holding shares in physical form are requested to dematerialise their shares for safeguarding their holdings and managing the same hassle free. Shareholders are accordingly requested to get in touch with any of the DP registered with SEBI to open a demat account. The shareholders may also visit website of Depositories viz. NSDL or CDSL for further understanding of the demat procedure.

Report on Corporate Governance (Contd.)

P. Reconciliation of Share Capital Audit report

As stipulated by the Listing Regulations, a qualified Practicing Company Secretaries carries out Secretarial Audit to reconcile the total admitted capital with National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the Total number of Shares in dematerialized forms (held with NSDL and CDSL) and total number of shares in physical form.

Q. Commodity Price Risk and Foreign Exchange Risk-

Please refer Note No. 35 of the notes to the accounts attached with the Standalone Financial Statement of the Company for the year ended March 31, 2024.

R. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2024, as such instruments have not been issued in the past.

U. ADDRESS FOR CORRESPONDENCE:

REGISTERED/CORPORATE OFFICE

MSP STEEL & POWER LTD

Address: : South City Business Park, 10th Floor, 770 Anandapur, EM Bypass, Kolkata, West Bengal, India, 700107

Email Id- investor.contact@mspsteel.com

Phone Number-033-40057777

INVESTOR QUERY

MS. Shreya Kar

Email ld-shreya.kar@mspsteel.com

Phone Number-033-40057777

Report on Corporate Governance (Contd.)

Other Disclosures

A. The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Particulars	Statutes	Details	Website Link for policy
Related Party Transactions	Regulation 23 of the Listing Regulations and as defined under the Act.	<p>During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were in the ordinary course of business and at arm's length basis.</p> <p>Prior omnibus approval is obtained for unforeseen related party transactions which would be in the ordinary course of business and on an arm's length basis. Also, the Company did not enter into any material related party transactions. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report.</p> <p>Further, the related party transactions undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules issued thereunder and relevant provisions of the Listing Regulations.</p> <p>During the year, SEBI introduced substantial changes in the related party transactions framework, inter alia, by enhancing the purview of the definition of related party, and overall scope of transactions with related parties. Considering the changes to the Listing Regulations relating to related party transactions, the Company's 'Policy on dealing with and materiality of related party transactions' was suitably amended to align the same with the new requirements prescribed by SEBI.</p>	https://www.mspsteel.com/about-us/corporate-policies
Whistle Blower Mechanism/ Policy	Regulation 22 of the Listing Regulations	The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.	https://www.mspsteel.com/about-us/corporate-policies

Report on Corporate Governance (Contd.)

Particulars	Statutes	Details	Website Link for policy
Subsidiary Companies	Regulation 24 of The Listing Regulations	<p>The audit committee reviews the consolidated financial statements of the unlisted subsidiary company. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.</p> <p>The Company does not have any material unlisted subsidiary company.</p> <p>The Company has a policy for determining 'material subsidiaries' which is disclosed on the website</p>	https://www.mspsteel.com/about-us/corporate-policies
Details of Mandatory and Non-Mandatory Corporate Governance Requirements	-	<p>The Company has complied with all mandatory requirements as prescribed by the Listing Regulations.</p> <p>The Quarterly/Yearly Reports on compliance of corporate governance in the prescribed format have been submitted to the Stock Exchange where the shares are listed within the stipulated time frame and the same have been uploaded on the Company's website.</p> <p>The Company has not adopted any non-mandatory requirement of the Listing Regulations.</p>	https://www.mspsteel.com/investors/stock-exchange-compliances
Code of Conduct	Regulation 17 of the Listing Regulations	<p>The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2024. A copy of the same is available on the Company's website. All the members of the Board and Senior Management Personnel have affirmed compliance to the Code of Conduct.</p>	https://www.mspsteel.com/about-us/corporate-policies
Code of Conduct for Prevention of Insider Trading		<p>As per SEBI (Prohibition of Insider Trading) Regulations, 2018, the Company has a code of practices and procedures for fair disclosure of unpublished price sensitive information to facilitate fair disclosure of events and occurrences that could impact price discovery in the market for its securities.</p>	https://www.mspsteel.com/about-us/corporate-policies

Report on Corporate Governance (Contd.)

Particulars	Statutes	Details	Website Link for policy
Terms of Appointment of Independent Directors	Regulation 46 of the Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment / re-appointment of Independent Directors are available on the Company's website	https://www.mspsteel.com/about-us/board-of-directors
Policy on Determination of Materiality for Disclosures	Regulation 30 of The Listing Regulations	The Company has adopted this policy.	https://www.mspsteel.com/about-us/corporate-policies
		Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;	NIL

B. Website:

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website at www.mspsteel.com. The section on investor relations serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars and Share transfer Agents and for this there is a separate section on 'Investors' on the website of the Company containing abovementioned requisite details.

C. Discretionary Requirements as specified in part E of Schedule II-

- i) The Board:** The Company defrays expenses of the Non-Executive Chairman's office incurred in the performance of his duties.
- ii) Shareholder Rights** – furnishing of half-yearly results: The Company provides the copy of the quarterly and half-yearly results on receipt of a specific request from the Shareholders.
- iii) Audit Qualifications:** During the year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure regime of unqualified financial statements.

iv) Reporting of Internal Auditors: The Internal Auditors report directly to the Audit Committee.

D. Certificate from Practicing Company Secretary

Pursuant to Regulation 34(3) of the Listing Regulations a certificate confirming that none of the Directors on the Board of the Company has 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, has been received from Ms. Swati Bajaj of M/s. Bajaj Todi & Associates, Companies Secretaries and is annexed to this report as **Annexure - A**.

E. Certificate on Corporate Governance

As required by Regulation 34(3) Schedule V (E) of the Listing Regulations, the certificate from Practicing Chartered Accountant regarding compliances of conditions of Corporate Governance is annexed to this report as **Annexure-D**.

F. CEO/CFO Certification

The CEO/CFO of the Company have certified positively to the Board on the matters specified under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2024. The said

Report on Corporate Governance (Contd.)

certificate is attached in this Annual Report and is set out as **Annexure -B**.

G. Details of utilization of funds raised

No funds were raised by the Company through preferential allotment or qualified institutions placement.

H. Disclosure in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act,2013 and Rules framed thereunder

Your Company has a zero-tolerance policy for sexual harassment in the workplace and has developed a policy for its prevention, prohibition, and redressal, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and its associated rules. The Company has also complied with the formation of the Prevention of Sexual Harassment (POSH) Committee as required by the Listing Regulations.

The number of complaints received during the financial year 2023-24 along with their status of redressal as on financial year ended March 31, 2024 are as under:

SL. No.	Particulars	Number of Complaints
1.	Number of Complaints filed during the year	NIL
2.	Number of Complaints disposed of during the year	NIL
3.	Number of Complaints pending as on the end of financial year	NIL

I. Loans and Advances in which Directors are interested

The Company has not provided any loans and advances to any firms/companies in which Directors are interested.

J. Payment Made to Statutory Auditors

During the Financial Year ended 31st March, 2024, the total fees paid by the Company to M/s S K Agrawal and Co, Chartered Accountants

LLP (ICAI Firm Registration No.306033E), the Statutory Auditors, on a consolidated basis towards the services availed by the Company aggregates to ₹ 11.25 Lakhs.

K. Declaration affirming Compliance of Code of Conduct

The Company has adopted a Code of Conduct for all employees and for members of the Board and senior management personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption, and anti-competitive practices.

All members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2023-24.

A declaration by the Chairman, Mr. Suresh Kumar Agrawal and Chief Financial Officer (CFO), Mr Kamal Kumar Jain affirming compliance of Board Members and Senior Management Personnel to the Code is also annexed herewith as **Annexure - C**.

L. There are no non-compliances of any requirements of Corporate Governance Report, as per sub-paras (2) to (10) of Schedule V Part C of the Listing Regulations.

M. Disclosures with respect to demat suspense account/unclaimed suspense account

The Company doesn't have any shares in the demat suspense account/unclaimed suspense account.

For and behalf of the Board
MSP STEEL & POWER LIMITED

Suresh Kumar Agrawal

Date: 29th May, 2024
Place: Kolkata

DIN: 00587623
(Chairman)

Annexure-A

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 of
MSP STEEL & POWER LIMITED
South City Business Park, 10th Floor,
Anandapur, EM Bypass, Kolkata-700 107

We have examined the relevant registers, records, forms, returns and disclosures received from the

Directors of **MSP STEEL & POWER LIMITED** having **CIN L27109WB1968PLC027399** and having registered office at South City Business Park, 10th Floor, Anandapur, EM Bypass, Kolkata-700107 (hereinafter referred to as 'the Company'), produced before me/us 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 our opinion and to the best of our 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 us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Director of the Company 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. Our responsibility is to express an opinion on these 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 **Bajaj Todi & Associates**

(Swati Bajaj)

Partner

C.P.No.: 3502, ACS:13216

PR No.: P2020WB081300

UDIN: A013216F000447881

Place: Kolkata
Date: 25th May, 2024

Annexure-B

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO)

[Pursuant to Regulation 17(8) read with Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

MSP Steel & Power Limited

South City Business Park, 10th Floor,
Anandapur, EM Bypass, Kolkata-700 107

In pursuance of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Saket Agrawal, Managing Director and Kamal Kumar Jain, Chief Financial Officer, responsible for the finance function certify to the Board of Directors that:

- a) We have reviewed the financial statements and cash flow statements for the financial year ended on 31st March, 2024 and to the best of our knowledge and belief, state that:
 - i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2024 which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for the establishing and maintaining internal control systems for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee that:-
 - i. There have been no significant changes in internal control over financial reporting during the year.
 - ii. The significant changes in accounting policies during the Financial Year ended 31st March, 2024 arising from the adoption of the Indian Accounting Standards have been discussed and approved by the auditors and Audit Committee.
 - iii. There have been no instances of significant fraud of which we have become aware and consequently no involvement therein, of the management or any employee having a significant role in the Company's internal control system over the financial reporting.

For and on behalf of the Board
MSP Steel & Power Limited

Place: Kolkata
Date: 29th May, 2024

Saket Agrawal
Managing Director

Kamal Kumar Jain
Chief Financial Officer

Annexure-C

DECLARATION AFFIRMING COMPLIANCE WITH THE CODE OF CONDUCT

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all the Members of the Board and Senior Management Personnel of the Company have affirmed their compliance with the code of conduct for the Financial Year ended 31st March,2024.

For and on behalf of the Board

MSP Steel & Power Limited

Place: Kolkata

Date: 29th May, 2024

Suresh Kumar Agrawal

Chairman

Kamal Kumar Jain

Chief Financial Officer

Annexure-D

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of MSP Steel & Power Limited

1. The Corporate Governance Report prepared by MSP Steel & Power Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024, and the said Report will be submitted by the Company to the Stock Exchanges as part of the Annual Report.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Annexure-D (Contd.)

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2023 to March 31, 2024:
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Annual General Meeting (AGM);
 - (d) Nomination and Remuneration Committee;
 - (e) Stakeholders Relationship Committee;
 - (f) Corporate Social Responsibility Committee
 - v. Obtained necessary declarations from the directors of the Company.
 - vi. Obtained and read the policy adopted by the Company for related party transactions.
 - vii. Obtained the schedule of related party transactions during the year and balances at the year-end.
 - viii. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee.
 - ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

Annexure-D (Contd.)

- The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2024, referred to in paragraph 4 above. Other matters and Restriction on Use.
- This report 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.
- This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S K Agrawal and Co Chartered Accountants LLP

Chartered Accountant

Firm Reg. No.: 306033E/E300272

Sandeep Agrawal

Partner

Membership No: 058553

UDIN- 24058553BKAEGQG5124

Place- Kolkata

Dated- 29th May, 2024

Independent Auditor's Report

To the Members of **MSP Steel & Power Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of MSP Steel & Power Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (The "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) of India together with the ethical requirements that are relevant to our audit of the Standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Revenue Recognition Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.	Our audit procedures included the following: Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. <ul style="list-style-type: none">Evaluated the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls over recognition of revenue.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>(Refer Note No. 1 and 21 and of the Standalone Financial Statement):</p>	<ul style="list-style-type: none"> Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end. Compared revenue with historical trends and where appropriate, conducted further enquiries and testing.
<p>Inventory Management</p> <p>(Refer Note No. 1 and 8 and of the Standalone Financial Statement):</p> <p>The Company deals with various types of bulk material such as Coal, Iron Ore, sponge iron & pellets etc. The total inventory of such materials amounts to Rs. 30,028.36 lakhs as on March 31, 2024.</p> <p>The measurement of these inventories involved certain estimations/assumption and also involved volumetric measurements. Measurement of some of these inventories also involved consideration of handling loss, moisture loss/gain, spillage etc. and thus required assistance of technical expertise. We determined this to be key audit matter to our audit due to quantum of the amount, estimation involved.</p>	<p>Assessed disclosures in standalone financial statements in respect of revenue, as specified in Ind AS 115.</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained the understanding of the management with regards to internal financial controls relating to Inventory management. The Company deployed an Independent agency for verification of Bulk Materials. We have reviewed the internal verification process by the management for certain inventory items. We have reviewed the report submitted by external agency and obtained reasons/explanation for differences and also confirmed the adjustment made by the Company. <p>Based on the above procedures performed, we concluded that measurement and valuation of the inventory at year end is appropriate.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to 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 standalone financial in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act and

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

- I. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Note 36 to the Standalone Financial Statements.
- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2024.
- III. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- IV. (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or 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 to us that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) 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 our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) &(b) above, contain any material misstatement.
- V. The Company has not declared any dividend in previous financial year which has been paid in current year. Further, no dividend has been declared in current year. Accordingly, the provision of section 123 of the Act is not applicable to the company.
- VI. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail and it is capable of creating an edit log for each change made in books. The same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For **S K Agrawal and Co Chartered Accountants LLP**
 Chartered Accountants
 Firm Registration Number: 306033E/E300272

Sandeep Agrawal
 Partner

Membership Number: 058553
 UDIN: 24058553BKAEQD6803

Place: Kolkata
 Date: May 29, 2024

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even date)

- i. In the respect of matters specified in clause (i) of paragraphs 3 the Order:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangibles assets.
- b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

- ii. In the respect of matters specified in clause (ii) of paragraphs 3 the Order:
 - a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
 - b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below.

Name of the Bank	Aggregate Working Capital Sanctioned	Amount Outstanding at Quarter End	Quarter Ended	Amount Disclosed as per Quarterly Statement*	Amount as per Books of accounts*	Difference
Consortium of Banks led by State Bank of India	26,000.00	23,025.75	June 30, 2023	28,951.47	45,403.22	-16,451.75
	26,000.00	23,927.68	September 30, 2023	27,733.43	48,342.83	-20,609.40
	26,000.00	23,148.81	December 31, 2023	26,342.00	46,346.02	-20,004.02
	26,000.00	24,610.86	March 31, 2024	26,462.59	44,933.19	-18,470.61

Also refer note 45 of the Standalone financial statements.

- iii. In the respect of matters specified in clause (iii) of paragraphs 3 the Order:
 - a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
 - b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
 - c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (c), is not applicable to the Company.
 - d) There are no amounts of loans and advances in the nature of loans granted to companies which are overdue for more than ninety days.
 - e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
 - f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by Company in respect of product, where pursuant to the rule made by the Central Government of India the maintenance of cost records has been prescribed under section 148 (1) of the Companies Act 2013 and are of the opinion that, *prima facie*, the prescribed records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In the respect of matters specified in clause (vii) of paragraphs 3 the Order:
 - a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except below:

Name of the Statute	Nature of the Dues	Rs. in lakh	Period to which the amount relates	Due Date
Income Tax Act, 1961	Income Tax	9.06	Assessment Year 2008-10	Not Ascertainable

As informed, the provisions of sales Tax, Service Tax, duty of excise and value added tax are currently not applicable to the Company.

b) According to the information and explanations given to us and the records of the Company examined by us. The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Nature of Statute	Nature of Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where the Dispute is Pending
Central Excise Act, 1944	Excise Duty	276.53	2013-14	Supreme Court
	Excise Duty	395.80	2008-10 and 2015-2017	Chief Commissioner-Raipur
Goods and Service Tax Act, 2017	Goods and Service Tax	588.22	2017-19	Commissioner Appeal- Raipur
The Income Tax Act, 1961	Income Tax	162.42	AY 2014-15	Dy. Commissioner of Income Tax (Rectifications)
The Income Tax Act, 1961	Income Tax	106.45	AY 2015-16	Dy. Commissioner of Income Tax (Appeal)

viii. 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(43 of 1961) as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. In the respect of matters specified in clause (ix) of paragraphs 3 the Order:

- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- The Company has not raised any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures as defined under Companies Act, 2013.
- The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x. In the respect of matters specified in clause (x) of paragraphs 3 the Order:

- The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- 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 and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- x. In the respect of matters specified in clause (xi) of paragraphs 3 the Order:
 - a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
 - b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by using Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a)(b) & (c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. In the respect of matters specified in clause (xiv) of paragraphs 3 the Order:
 - a) The Company has an internal audit system commensurate with the size and nature of its business.
 - b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In the respect of matters specified in clause (xvi) of paragraphs 3 the Order:
 - 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 to the Company.
 - b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
 - 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 3(xvi)(c) of the Order is not applicable to the Company.
 - d) As represented by the Management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred cash losses in the current and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

- xix. According to the information and explanations given to us and on the basis of the financial ratios (refer Note 46), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due
- xx. The Company is not required to spend on account of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of these standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **S K Agrawal and Co Chartered Accountants LLP**
 Chartered Accountants
 Firm Registration Number: 306033E/E300272

Sandeep Agrawal
 Partner

Membership Number: 058553
 UDIN: 24058553BKAEQD6803

Place: Kolkata
 Date: May 29, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of even date)

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

Opinion

1. We have audited the internal financial controls with reference to financial statements of MSP Steel & Power Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by ICAI.

Management's Responsibility for Internal Financial Controls

3. The Company's management 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
5. An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E/E300272

Sandeep Agrawal

Partner

Membership Number: 058553

UDIN: 24058553BKAEQD6803

Place: Kolkata

Date: May 29, 2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
A	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3(a)	81,626.45	82,585.05
	(b) Intangible Assets	3(c)	-	11.98
	(c) Investment in Subsidiary, Associate & Joint Venture	4	255.35	255.35
	(d) Financial Assets			
	(i) Investments	4	4,035.88	4,115.82
	(ii) Other Financial Assets	5	1,299.08	1,186.62
	(e) Deferred Tax Assets (Net)	6	2,644.23	3,323.90
			89,860.99	91,478.72
2	Current Assets			
	(a) Inventories	8	49,047.32	48,387.78
	(b) Financial Assets			
	(i) Trade Receivables	9	7,008.39	7,502.85
	(ii) Cash and Cash Equivalents	10	2,578.12	1,066.59
	(iii) Bank Balances other than (ii) above	11	2,107.54	1,468.56
	(iv) Other Financial Assets	5	34.26	55.53
	(c) Current Tax Assets (Net)	7	993.37	670.93
	(d) Other Current Assets	12	11,757.87	13,622.90
			73,526.87	72,775.14
	TOTAL ASSETS		1,63,387.86	1,64,253.86
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share Capital	13	38,541.50	38,541.50
	(b) Other Equity	14	19,430.53	18,188.03
			57,972.03	56,729.53
2	LIABILITIES			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	15	47,658.51	50,131.51
	(b) Provisions	16	150.78	133.78
			47,809.29	50,265.29
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	30,412.86	29,774.34
	(ii) Trade Payables			
	(a) Total outstanding dues to micro enterprises and small enterprises	18	909.70	574.78
	(b) Total outstanding dues to Creditors other than micro enterprises and small enterprises	18	20,743.42	20,074.50
	(iii) Other Financial Liabilities	19	1,568.83	1,347.27
	(b) Other Current Liabilities	20	3,735.16	5,193.82
	(c) Provisions	16	236.57	294.33
			57,606.54	57,259.04
	TOTAL EQUITY AND LIABILITIES		1,63,387.86	1,64,253.86
	Material Accounting Policies	1		
	Key accounting estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Statement of Standalone Profit & Loss

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Notes	2023-24	2022-23
INCOME			
Revenue from Operations	21	2,87,385.40	2,55,039.96
Other Income	22	3,835.85	1,157.47
Total (I)		2,91,221.25	2,56,197.43
EXPENSES			
Cost of Material Consumed	23	2,33,192.41	2,03,793.19
Purchase of Stock in Trade	24	221.87	2,712.69
Changes in Inventories of Finished Goods, By-products, Work in Progress and Stock in Trade	25	(3,914.43)	2,524.83
Employee Benefits Expenses	26	6,651.08	5,778.24
Finance Costs	27	8,763.68	8,197.05
Depreciation and Amortization Expenses	28	5,540.54	5,407.40
Other Expenses	29	38,693.29	33,843.05
Total (II)		2,89,148.44	2,62,256.45
Profit/(Loss) before Exceptional Item and Tax (I-II)		2,072.81	(6,059.02)
Exceptional Items	30	-	30.75
Profit/(Loss) Before Tax		2,072.81	(6,028.27)
Tax Expenses	31		
Current Tax		-	-
Income tax for Earlier Year		-	-
Deferred Tax		633.91	(658.65)
Total Tax Expenses		633.91	(658.65)
Profit/(Loss) for the Year		1,438.90	(5,369.62)
Other Comprehensive Income	32		
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(78.78)	(1.35)
(b) Equity Instruments through Other Comprehensive Income		(71.87)	223.27
(c) Income taxes on items that will not be reclassified to profit or loss		(45.75)	4.32
Other Comprehensive Income (Net of Tax)		(196.40)	226.24
Total Comprehensive Income for the year		1,242.50	(5,143.38)
Earnings per equity share of face value of ₹ 10/- each	33		
Basic (₹)		0.37	(1.39)
Diluted (₹)		0.35	(1.29)
Material Accounting Policies	1		
Key accounting estimates and judgements	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal

Partner

Membership No.-058553
Kolkata, 29th May, 2024

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Shreya Kar

Company Secretary
Mem No. A41041

Standalone Cash Flow Statement

for the year ended March 31, 2024

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
1. Net Profit/(Loss) before taxes	2,072.81	(6,028.27)
2. Adjustments for:		
Depreciation & Amortization Expense	5,540.54	5,407.40
Interest Income	(180.51)	(160.97)
Interest Expense on Loans	3,557.31	3,788.89
Interest Expense on OCD	4,019.92	3,162.18
Other Finance Expenses	1,147.29	1,099.10
Profit on sale of Investments	(4.80)	220.14
Unrealised (Profit)/Loss on Foreign Exchange Fluctuations	(147.80)	175.49
Reversal of Provision for Doubtful debts/ Advances/ Deposits and Claims	(3,075.13)	-
Reversal of Impairment of investment in Associate & JV (Net)	-	(30.75)
3. Operating Profit before working capital changes (1+2)	12,929.63	7,633.21
4. Movement in Working Capital for:		
(Increase)/ Decrease in Trade & Other Receivables	5,429.60	7,156.28
(Increase)/ Decrease in Inventories	(659.54)	(2,632.12)
Increase/ (Decrease) in Trade & Other Payables	(226.87)	(3,341.47)
Increase/ (Decrease) in Provisions	(119.55)	17.53
5. Cash generated from Operations (4+3)	17,353.27	8,833.43
6. Less: Direct Taxes Paid	322.44	257.51
7. Net Cash generated from Operating Activities (5-6)	17,030.83	8,575.92
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment including CWIP	(4,569.96)	(5,373.46)
Sale of property, plant & equipment	-	-
Sale of Investments	12.87	-
Fixed Deposit given in form of Margin Money	(746.42)	3,419.64
Interest received	201.78	181.58
Net cash generated/(used) in investing activities	(5,101.73)	(1,772.24)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings Received/ (paid) (Net)	(6,873.21)	(5,039.28)
Short Term Borrowings Received/ (paid) (Net)	984.52	(714.33)
Interest Paid	(3,381.59)	(4,162.98)
Other Finance Expenses Paid	(1,147.29)	(626.31)
Unclaimed Dividend transferred to Investor Education Protection Fund of India	-	1.17
Net cash used in financing activities	(10,417.57)	(10,541.74)
Net (Decrease) in Cash and Cash equivalents (A+B+C)	1,511.53	(3,738.05)
E1 Cash and Cash equivalents as at the beginning of the year	1,066.59	4,804.64
E2 Cash and Cash equivalents as at the end of the year	2,578.12	1,066.59
Net Change in Cash and Cash equivalents (E2-E1)	1,511.53	(3,738.05)

Standalone Cash Flow Statement

for the year ended March 31, 2024

Note

a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS -7) – Statement of Cash Flow

b) Components of Cash and Cash equivalents

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
	(₹ in Lakhs)	
Cash on hand	12.92	13.45
With Scheduled Banks on Current Account	2,564.99	730.93
Positive Balances in Cash Credit Account	0.21	322.21
	2,578.12	1,066.59

c) Reconciliation for total liability arising from financing activities :

Head	01 st April 2023	Cash Flow	Non Cash Changes		Interest Paid*	31 st March 2024
			Inter Head Movement	Interest Expenses*		
Long Term Borrowings**	55,404.51	(6,873.21)	(133.02)	5,248.92	1,061.68	52,585.52
Other Financial Liabilities ***	124.76	-	141.42	1,147.29	1,147.29	266.18
Borrowings - Current	24,501.34	984.52	(8.40)	2,328.31	2,319.91	25,485.86
	80,030.61	(5,888.69)		8,724.52	4,528.88	78,337.56

Head	01 st April 2022	Cash Flow	Non Cash Changes		Interest Paid*	31 st March 2023
			Inter Head Movement	Interest Expenses*		
Long Term Borrowings**	57,281.34	(5,039.28)	(84.80)	4,846.74	1,599.49	55,404.51
Other Financial Liabilities	26.33	-	98.43	1,099.10	1,099.10	124.76
Borrowings - Current	25,215.67	(714.33)	(13.63)	2,104.33	2,090.70	24,501.34
	82,523.34	(5,753.61)		- 8,050.17	4,789.29	80,030.61

* Interest expenses/paid also include the Other Financial Charges expenses/paid during the year.

** Long term borrowings include current maturities grouped under Short term borrowings

*** Other financial Liabilities include ₹ 1.24 Lakhs due for MSME Interest grouped under Trade Payables in financials.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

Particulars	(₹ in Lakhs)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
As at the beginning of the year	38,541.50	38,541.50
Changes in equity share capital during the year	-	-
As at the end of the year	38,541.50	38,541.50

B. Other Equity

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income	Total
	Securities Premium	Retained Earnings				
Balance as at 1st April, 2022	15,055.59	(23,611.73)	3,112.99	28,506.44	268.12	23,331.41
Profit/ (Loss) for the year		(5,369.62)				(5,369.62)
Remeasurement benefits Gain/ (Loss) (Net of tax)		(0.93)				(0.93)
Fair Value of Equity Instrument through FVOCI					227.17	227.17
Balance as at 31st March, 2023	15,055.59	(28,982.28)	3,112.99	28,506.44	495.29	18,188.03
Balance as at 1st April, 2023	15,055.59	(28,982.28)	3,112.99	28,506.44	495.29	18,188.03
Profit/ (Loss) for the year		1,438.90				1,438.90
Remeasurement benefits Gain/ (Loss) (Net of tax)		(78.78)				(78.78)
Fair Value of Equity Instrument through FVOCI					(117.62)	(117.62)
Balance as at 31st March, 2024	15,055.59	(27,622.16)	3,112.99	28,506.44	377.67	19,430.53

Material Accounting Policies 1

Key accounting estimates and judgements 2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

COMPANY BACKGROUND

MSP Steel & Power Limited ("the Company") is a public limited Company incorporated in India with its registered office in Kolkata, West Bengal, India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company is engaged in the manufacture and sale of iron and steel products and generation of power. The Company has a manufacturing plant at Raigarh, Chhattisgarh, India.

1. MATERIAL ACCOUNTING POLICIES

1.1. Basis of Preparation of financial statements

1.1.1. Compliance with Ind-AS

The Financial Statements comply in all materials aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules 2015] and Other reverent provisions of the Act.

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

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109 – Financial Instruments, Ind AS 107 – Financial Instruments: Disclosures, Ind AS 104 – Insurance Contracts and Ind AS 116 – Leases.
- Conceptual framework for financial reporting under Ind AS issued by ICAI
- Ind AS 103: Business combination

- Amendment to Ind AS 103- Business combination, Ind AS 116 - COVID-19 related rent concessions, Ind AS 105 – Non-current Assets
- and Discontinued Operations, Ind AS 16 – Property Plant and Equipment and Ind AS 28 – Investments in Associates and Joint Ventures

These amendments had no impact on the financial statements of the Company.

1.1.2. Classification of 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 Ind AS 1 – Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products 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 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.3. Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- defined benefit plans - plan assets measured as per actuarial valuation.

1.2. Summary of Material Accounting Policies

A. Property, Plant and Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	Years
Factory Building	30 years
Other Building	10 to 60 years
Plant & Machinery	5 to 40 years
Vehicle	8 to 10 years
Office Equipment	5 to 6 years
Furniture & Fixtures	10 years

Freehold land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

B. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization:

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Particulars	No. of Years
Computer Software	5

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an intangible asset is measured as the difference between the net

disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

C. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment

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losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

D. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods/services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods/services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods/services sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. No element of financing is deemed present as the sales are generally made with a credit term which is consistent with market practice. The Company does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

Sale of power/ services: Revenue from sale of power/services is recognized when the

services are provided to the customer based on approved tariff rates/agreement established by the respective regulatory authorities/agreement with parties.

Interest and dividends: Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payments established.

E. Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the acquisition/construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

F. Inventories

Raw materials, work-in-progress, finished goods, stores, spares, components, consumables, and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis. By-product is valued at net realizable Value.

In determining the cost of raw materials, stock-in-trade, stores, spares, components, consumables, and other inventories weighted

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

G. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

G.1. Financial Assets

- Initial recognition and measurement:**

The Company recognize a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through

a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

- Subsequent measurement:** For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- The Company's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measured at fair value through profit or loss (FVTPL)
- Financial assets measured at amortized cost:** A financial asset is measured at the amortized cost if both the following conditions are met:
 - The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

- Financial assets measured at FVTOCI:** A financial asset is measured at FVTOCI if both of the following conditions are met:

- The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of

principal and interest on the principal amount outstanding.

The Company, through an irrevocable election at initial recognition, has measured investments in equity instruments at FVTOCI. This equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

- Financial assets measured at FVTPL:** A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

- De-recognition:** A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially

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for the year ended 31st March,2024

- transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On De-recognition of a financial asset [except as mentioned in above for financial assets measured at FVTOCI] difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

- **Impairment of financial assets:** The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
 - Trade receivables
 - Financial assets measured at amortized cost (other than trade receivables and lease receivables)

- Financial assets measured at fair value through other comprehensive income (FVTOCI)- in case of debt instruments

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, considering the time value of money and other reasonable information available as a result of past

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events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

G.2. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

G.2.1. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

G.2.2. Financial liabilities

Initial recognition and measurement: The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and

transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability

Subsequent measurement: All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

De-recognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

H. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

I. Derivatives

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

J. Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognized, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognized in the statement of profit and loss.

K. Fair Value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

L. Foreign Currency Translation

Initial Recognition: On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date: Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

M. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax: Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax: Deferred tax is recognized on taxable temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credit (MAT Credit Entitlement), Unabsorbed depreciation and any unused tax losses. Deferred tax assets are recognized to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither

the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax: Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

N. Provisions, Contingent Liabilities & Contingent Assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

O. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is three months or less.

P. Employee Benefits

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.

Compensated absences: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized based on actuarial valuation at the present value of the obligation as on the reporting date.

Post-Employment Benefits:

Provident Fund scheme: Retirement benefit in the form of Provident Fund is a defined contribution scheme and the company recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service. The Company has no obligations other than the contribution payable to the respective funds.

Gratuity scheme: Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Recognition and measurement of Defined Benefit plans: The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

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for the year ended 31st March, 2024

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. Re-measurement of defined benefit plans is recognized as a part of retained earnings in statement of changes in equity as per Division II of Schedule III of the Companies Act, 2013.

Q. Leases

The Company as lessor

Lease income from operating leases where the Company is a lessor is recognized in the statement of profit and loss on a straight-line basis over the lease term.

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

R. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

S. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

T. Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

U. Earnings Per Share

Basic earning per share is calculated 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. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders are divided with the weighted average number of shares outstanding during the year after adjustment for the effects of all dilutive potential equity shares.

V. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

W. Non-Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. On-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held for sale are not depreciated or amortized.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

X. Rounding Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise stated.

2. KEY ACCOUNTING ESTIMATES & JUDGEMENTS:

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

2.1. Significant judgments when applying Ind AS 115

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.2. Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of plant and equipment.

2.3. Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

2.4. Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.5. Impairment of Investment in Associate/ Joint Venture

The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the respective company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.6. Income taxes/Deferred Tax

The Company calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

2.7. Recoverability of advances/ receivables

At each balance sheet date, based on discussions with the respective counterparties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counterparties, market information and other relevant factor.

2.8. Contingent assets and liabilities, uncertain assets and liabilities

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether Company will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

3(a). Property, Plant & Equipment

Particulars	Land	Factory Building	Other Building	Plant & Machinery	Furniture & Fixtures	Vehicle	Office Equipments	Total
GROSS CARRYING VALUE								
Balance as at 01st April, 2022	926.80	11,790.60	7,681.07	1,01,084.64	72.74	206.27	97.10	1,21,859.22
Additions	34.87	-	-	5,318.07	-	3.58	16.95	5,373.47
Deductions	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	961.67	11,790.60	7,681.07	1,06,402.71	72.74	209.85	114.05	1,27,232.69
Additions	-	-	-	4,579.42	-	-	12.78	4,592.20
Deductions	20.31	-	-	-	-	38.54	-	58.85
Balance as at 31st March, 2024	941.36	11,790.60	7,681.07	1,10,982.13	72.74	171.31	126.83	1,31,766.04
ACCUMULATED DEPRECIATION								
Balance as at 01st April, 2022	-	3,008.52	1,989.94	34,047.99	43.90	110.25	53.06	39,253.66
Depreciation expense	-	429.79	284.28	4,649.14	4.05	14.19	12.53	5,393.98
Deductions	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	-	3,438.31	2,274.22	38,697.13	47.95	124.44	65.59	44,647.64
Depreciation expense	-	429.79	284.28	4,782.27	3.30	13.58	15.34	5,528.56
Deductions	-	-	-	-	-	36.61	-	36.61
Balance as at 31st March, 2024	-	3,868.10	2,558.50	43,479.40	51.25	101.41	80.93	50,139.59
NET CARRYING VALUE								
Balance as at 31st March, 2023	961.67	8,352.29	5,406.85	67,705.58	24.79	85.41	48.46	82,585.05
Balance as at 31st March, 2024	941.36	7,922.50	5,122.57	67,502.73	21.49	69.90	45.90	81,626.45

3(b) Capital Work in Progress

Particulars	As at 31 st March 2024	As at 31 st March 2023	(₹ in Lakhs)
As at the beginning of the year	-	-	
Movement during the year	-	-	
As at the end of the year	-	-	

Capital Work in Progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				As at 31 st March 2024	(₹ in Lakhs)
	Less than 1 year	1-2 years	2-3 Years	More than 3 years		
Projects in progress	-	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

3(b) Capital Work in Progress (Contd.)

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				As at 31 st March 2023
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

There are no projects as on March 31, 2024 where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

3(c) Intangible Assets

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023	
		11.98	25.40
Capitalized during the year	-	-	-
Amortized during the year	11.98	13.42	
As at the end of the year	-	11.98	

Intangible assets consists mainly of Computer Software.

4. Non Current Investments

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of Shares / Units	(₹ in Lakhs)	Number of Shares / Units	(₹ in Lakhs)
(a) Unquoted Investments in Equity Instruments				
(i) In Subsidiaries (at cost)				
MSP Cement Limited (₹ 10 each)	5,80,698	58.07	5,80,698	58.07
		58.07		58.07
Prateek Mines & Minerals Pvt Limited (₹ 10 each)	57,000	65.32	57,000	65.32
		65.32		65.32
(ii) In Joint Venture (at cost)				
Madanpur South Coal Company Limited (₹ 10 each)	94,427	131.96	94,427	131.96
		131.96		131.96
Investment in Subsidiary & Joint Venture (i+ii)		255.35		255.35
(iv) In Others (at fair value through OCI)				
Jaik Leasing Pvt Ltd Limited (Rs.10 each)	22,117	45.26	-	-
MSP Properties (i) Limited (₹ 10 each)	-	-	7,500	6.66
MSP Sponge Iron Limited (₹ 10 each)	3,13,000	331.20	3,13,000	324.75
Catapult Fincap Limited (₹ 10 each) formerly known as MSP Power Limited	8,000	0.92	8,000	0.89
M.A Hire Purchase Private Limited (₹ 10 each)	38,34,623	3,643.28	38,34,623	3,760.23
		4,020.66		4,092.53

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

4. Non Current Investments (Contd.)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of Shares / Units	(₹ in Lakhs)	Number of Shares / Units	(₹ in Lakhs)
(b) Quoted Investments in Equity Instruments (at fair value through OCI)				
Howrah Gases Ltd (₹ 10 each)	93,700	15.00	93,700	15.00
Ashirwad Steel and Industries Limited (₹ 10 each)	-	-	2,500	0.47
Nageshwar Investment Limited (₹ 10 each)	11,000	0.22	11,000	0.22
Indian Overseas Bank (₹ 10 each)	-	-	2,900	0.65
IDFC First Bank Limited (₹ 10 each)	-	-	5,201	2.86
IDFC Limited (₹ 10 each)	-	-	5,201	4.09
		15.22		23.29
Other Non Current Investments (a(iv)+b)				
TOTAL (a+b)		4,035.88		4,115.82
Aggregate amount of Quoted Investments - at Cost		4,291.23		4,371.17
Aggregate amount of the Quoted Investments - at Market value		16.52		19.24
Aggregate value of unquoted Investments		15.22		23.29
		4,276.01		4,347.88
Aggregate amount of impairment in value of investment.		-		-

5. Other Financial Assets

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Unsecured, Considered Good Unless Otherwise Stated				
Deposits with Banks (Refer Note No. 11)	540.25	432.82	-	-
(A)	540.25	432.82	-	-
Others				
Interest Accrued on Fixed Deposits and Others	-	-	34.26	55.53
Security Deposit	758.83	753.80	-	-
(B)	758.83	753.80	34.26	55.53
TOTAL (A+B)	1,299.08	1,186.62	34.26	55.53

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

6. Deferred Tax Assets (NET)

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Deferred Tax Liabilities :		
Tax impact on difference between book value of depreciable assets and written down value for tax purpose	(15,383.72)	(15,299.82)
Others	41.71	(28.62)
Deferred Tax Assets :		
Tax impact of expenses charged to the statement of profit & Loss but allowable under tax law deferred	1,083.99	1,970.64
Tax impact of unabsorbed loss / Allowances	14,253.54	14,032.99
MAT Credit Entitlement	2,648.71	2,648.71
	2,644.23	3,323.90

Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2023 and 31st March, 2024

Particulars	As at 1 st April, 2022	Recognized in Statement of Profit & Loss	Recognized in OCI	(₹ in Lakhs)	
				As at 31 st March, 2023	
Deferred Income Tax Liabilities					
Property, Plant & Equipment's	(15,087.46)	(212.37)	-	(15,299.83)	
Others	(24.72)	-	(3.90)	(28.62)	
	(15,112.18)	(212.37)	(3.90)	(15,328.45)	
Deferred Income Tax Assets					
Allowance for credit loss	1,771.24	68.68	-	1,839.92	
Expense allowed under Income Tax on payment basis	94.47	28.02	8.22	130.72	
Unabsorbed depreciation	13,258.68	774.32	-	14,033.00	
Mat Credit Entitlement	2,648.71	-	-	2,648.71	
	17,773.10	871.02	8.22	18,652.35	
Deferred Tax Assets (Net)	2,660.92	658.65	4.32	3,323.90	

Particulars	As at 1 st April, 2023	Recognized in Statement of Profit & Loss	Recognized in OCI	(₹ in Lakhs)	
				As at 31 st March, 2024	
Deferred Income Tax Liabilities					
Property, Plant & Equipment's & Intangible Assets	(15,299.83)	(83.89)	-	(15,383.72)	
Others	(28.62)	-	70.33	41.71	
	(15,328.45)	(83.89)	70.33	(15,342.01)	

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

6. Deferred Tax Assets (NET) (Contd.)

(₹ in Lakhs)

Particulars	As at 1 st April, 2023	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March, 2024
Deferred Income Tax Assets				
Allowance for credit loss	1,839.92	(959.43)	-	880.49
Expense allowed under Income Tax on payment basis	130.72	188.87	(116.08)	203.50
Unabsorbed depreciation	14,033.00	220.54	-	14,253.54
Mat Credit Entitlement	2,648.71	-	-	2,648.71
	18,652.35	(550.02)	(116.08)	17,986.24
Deferred Tax Assets (Net)	3,323.90	(633.91)	(45.75)	2,644.23

MAT credit entitlement is the amount which can be recovered and set off in subsequent years as per the provisions of the Income Tax Act, 1961. The MAT credit entitlement recognised will expire as follows:

As at 31st March 2024

(₹ in Lakhs)

For Fin Year	Amount	Year of expiry*
2010-11	918.18	Financial Year 2025-26
2011-12	472.72	Financial Year 2026-27
2012-13	592.68	Financial Year 2027-28
2013-14	665.13	Financial Year 2028-29
Total	2,648.71	

As a matter of prudence, unused losses and unused deferred tax credits for which no deferred tax assets have been recognised in the balance sheet.

(₹ in Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Amount	Expiry Date *	Amount	Expiry Date *
Tax Losses (revenue loss on which no tax is created)	-	-	-	-
Unused Tax Credits (MAT credit not recognized)	660.33	FY 2024-25	1,235.37	FY 2023-24 to FY 2024-25
	660.33		1,235.37	

* Expiry date has been stated based on the last day of the financial year for which MAT credit is available for use as per prevailing tax laws as at the reporting date.

7. Income Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Advance Income Tax & TDS (Net)	310.21	536.98
Income Tax Receivable	683.16	133.95
	993.37	670.93

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

7. Income Tax Assets (Net) (Contd.)

Note -

The Company is subject to tax assessments and ongoing proceedings, which are pending before various Tax Appellate Authorities. Management periodically evaluates the positions taken in tax returns with respect to above matters, including unresolved tax disputes, which involves interpretation of applicable tax regulations and judicial precedents. Current tax liability and tax asset balances are presented, after recognising as appropriate, provision for taxes payable and contingencies basis management's assessment of outcome of such ongoing proceedings and amounts that may become payable to the tax authorities. Considering the nature of such estimates and uncertainties involved, the amount of such provisions may change upon final resolution of the matters with tax authorities.

8. Inventories (Valued at Lower of Cost and Net Realizable Value)

(₹ in Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Raw Materials and Components [includes in transit ₹ 3237.72 lakhs (31 st March 2023 : ₹ 1445.16 lakhs)]	30,028.36	31,467.21
Work – in – Progress	4,896.16	2,275.84
Finished Goods [includes in transit ₹ 124.79 lakhs (31 st March 2023 : ₹ 58.86 lakhs)]	8,265.43	8,012.62
Stores and Spares	4,205.40	6,021.44
By Products (at Net Realisable Value)	1,651.97	573.04
Stock in Trade	–	37.63
Total	49,047.32	48,387.78

8.1 For Lien/ charge details against inventory, Refer Note 44

9. Trade Receivables

(₹ in Lakhs)

Particulars	Current	
	As at	As at
31 st March 2024	31 st March 2023	
At amortised cost		
– Trade Receivables considered good – Secured	–	–
– Trade Receivables considered good – Unsecured	7,008.39	7,502.85
– Trade Receivables which have significant increase in credit risk	2,124.22	2,148.10
– Trade Receivables – credit impaired	–	–
Less: Expected Credit Loss Allowance	(2,124.22)	(2,148.10)
Total trade receivables	7,008.39	7,502.85
– Receivables from related parties (Refer Note 41)	525.14	18.53
– Others	6,483.26	7,484.32
Total trade receivables	7,008.39	7,502.85

9.1 For Lien/ charge details against trade receivables, Refer Note 44

9.2 No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

9. Trade Receivables (Contd.)

9.3 Trade Receivable Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2024					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
Undisputed- Considered good	6,994.58	13.81	-	-	-	7,008.39
Undisputed- Which have significant increase in credit risk	-	-	6.23	8.19	2,109.80	2,124.22
Undisputed- Credit impaired	-	-	-	-	-	-
Gross Total	6,994.58	13.81	6.23	8.19	2,109.80	9,132.62
Less: Loss allowance						(2,124.22)
Total						7,008.39

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2023					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
Undisputed- Considered good	7,434.31	35.49	-	-	-	7,469.80
Undisputed- Which have significant increase in credit risk	-	-	8.95	15.16	2,157.04	2,181.15
Undisputed- Credit impaired	-	-	-	-	-	-
Gross Total	7,434.31	35.49	8.95	15.16	2,157.04	9,650.95
Less: Loss allowance						(2,148.10)
Total						7,502.85

9.4 Set out below is the movement in the allowance for expected credit losses of trade receivables

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
Opening Balance	2,148.10	2,133.98
Provision/(Reversal) for Expected Credit Loss	(23.88)	14.12
Closing Balance	2,124.22	2,148.10

9.5 Breakup of Impairment Loss Allowance

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
- Trade Receivables considered good - Unsecured	2,124.22	2,148.10
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables - credit impaired	-	-
Total	2,124.22	2,148.10

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

9. Trade Receivables (Contd.)

9.6 No element of financing is deemed present as the sales are generally made with a credit term which is consistent with market practice.

9.7 There are no "unbilled" and "disputed" trade receivables, hence the same are not disclosed in the ageing schedule.

9.8 In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

10. Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Balance with Banks:		
On Current Accounts	2,564.99	730.93
Positive Balance in Cash Credit Account	0.21	322.21
Cash and Cash Equivalents		
Cash on Hand	12.92	13.45
	2,578.12	1,066.59

11. Bank Balances other than Cash and Cash equivalents

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Fixed Deposits - Earmarked for LC & BG	540.25	432.82	2,107.54	1,468.56
	540.25	432.82	2,107.54	1,468.56
Amount Disclosed under Other Non-Current Financial Assets (Refer Note No. 5)	(540.25)	(432.82)	-	-
Unpaid Dividend Accounts	-	-	-	-
	-	-	2,107.54	1,468.56

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

12. Other Current Assets

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Advances to Suppliers other than capital advances		
Considered Good	10,530.60	11,507.85
Considered Doubtful	697.86	3,749.12
	11,228.46	15,256.98
Less: Allowances for doubtful advances	697.86	3,749.12
(A)	10,530.60	11,507.85
Other Advances		
Prepaid Expenses	157.40	155.31
Advances to Related Parties	54.34	1,148.96
Balances with Statutory/Government Authorities	1,004.76	801.82
Others (incl advance to employees)	10.78	8.96
(B)	1,227.27	2,115.05
TOTAL (A+B)	11,757.87	13,622.90

13. Equity Share Capital

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Authorised Share Capital		
800,000,000 (31.03.2023 - 800,000,000) equity shares of ₹ 10/- each	80,000.00	80,000.00
100,000,000 (31.03.2023 - 100,000,000) preference shares of ₹ 10/- each	10,000.00	10,000.00
Issued, Subscribed and Fully Paid-up Share Capital		
38,54,15,000 (31.03.2023 - 38,54,15,000) equity shares of ₹ 10/- each	38,541.50	38,541.50
Total	38,541.50	38,541.50

13.1 Reconciliation of number of Shares

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Equity Shares:				
Balance at the beginning of the year	38,54,15,000	38,541.50	38,54,15,000	38,541.50
Balance at the end of the year	38,54,15,000	38,541.50	38,54,15,000	38,541.50

13.2 Rights, Preferences and restrictions attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

13. Equity Share Capital (Contd.)

13.3 Shareholders holding more than 5% share in the company are as follows:

(₹ in Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	No of shares	% of shares	No of shares	% of shares
State Bank of India	–	–	4,63,34,367	12.02%
Mod Commodeal Pvt. Limited	3,14,99,538	8.17%	3,14,99,538	8.17%
Adhunik Gases Limited	2,34,79,000	6.09%	2,34,79,000	6.09%
Sikhar Commotrade Pvt. Limited	2,89,84,056	7.52%	2,89,84,056	7.52%
Shringar Mercentile Pvt. Limited	–	–	2,82,11,200	7.32%
Swagat Trexim Pvt Ltd	3,39,16,849	8.80%	–	–
MSP Sponge Iron Limited	2,47,36,500	6.42%	2,47,36,500	6.42%

13.4 Details of Promoters holding in the company

(₹ in Lakhs)

SL	Promoter name	As at 31 st March 2024		As at 31 st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Suresh Kumar Agrawal	25,120	0.01	25,120	0.01	–
2	Puran Mal Agrawal	29,000	0.01	29,000	0.01	–
3	Pranay Agrawal	3,06,000	0.08	3,06,000	0.08	–
4	Nisha Agrawal	3,36,500	0.09	3,36,500	0.09	–
5	Kiran Agrawal	4,86,000	0.13	4,86,000	0.13	–
6	Saket Agrawal	2,04,000	0.05	2,04,000	0.05	–
7	Manish Agrawal	3,09,000	0.08	3,09,000	0.08	–
8	Puran Mal Agrawal	1,86,620	0.05	1,86,620	0.05	–
9	Suresh Kumar Agrawal	1,41,000	0.04	1,41,000	0.04	–
10	Dexo Trading Pvt. Ltd.	15,75,000	0.41	15,75,000	0.41	–
11	High Time Holdings Pvt. Ltd.	30,25,000	0.78	30,25,000	0.78	–
12	Ilex Private Limited	41,15,000	1.07	41,15,000	1.07	–
13	Jagran Vyapaar Pvt. Ltd.	19,50,000	0.51	19,50,000	0.51	–
14	Larigo Investment Private Limited	1,20,50,000	3.13	1,20,50,000	3.13	–
15	B S Confin Pvt. Ltd.	35,30,000	0.92	35,30,000	0.92	–
16	Emerald Tradelink Pvt. Ltd.	25,00,000	0.65	25,00,000	0.65	–
17	Gilbart Merchants Pvt. Ltd 1	85,04,426	2.21	85,04,426	2.21	–
18	K. C. Texofine Pvt. Ltd.2	87,15,000	2.26	87,15,000	2.26	–
19	Raj Securities Ltd.1	52,00,000	1.35	52,00,000	1.35	–
20	Adhunik Gases Ltd.1	2,34,79,000	6.09	2,34,79,000	6.09	–
21	Aa Ess Tradelinks Pvt. Ltd.2	26,50,000	0.69	26,50,000	0.69	–
22	Msp Rolling Mills Pvt. Ltd.2	44,60,000	1.16	44,60,000	1.16	–

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

13. Equity Share Capital (Contd.)

(₹ in Lakhs)

SL	Promoter name	As at 31 st March 2024		As at 31 st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
23	Msp Sponge Iron Limited	2,47,36,500	6.42	2,47,36,500	6.42	-
24	Msp Infotech Pvt. Ltd.	1,25,29,760	3.25	1,25,29,760	3.25	-
25	Rajnath Vyapaar Private Limited	25,00,000	0.65	25,00,000	0.65	-
26	Sikhar Commodity Trade Pvt. Ltd.	2,89,84,056	7.52	2,89,84,056	7.52	-
27	Panorama Commercial Private Limited 3	10,00,000	0.26	10,00,000	0.26	-
28	Shree Vinay Finvest Pvt. Ltd.	68,78,543	1.78	68,78,543	1.78	-

- 1 Merged with Jagran Vyapaar Pvt Ltd (Transferee Company) **
- 2 Merged with MA Hire Purchase Pvt Ltd (Transferee Company) **
- 3 Merged with Shree Vinay Finvest Pvt Ltd (Transferee Company) **

** These companies have been merged with the transferee companies but the share transfer is not complete since the same are pledged with banks. We are in the process of transferring the shares in the name of the merged entity and they will be done once the shares are released by the banks.

13.5 Additional Disclosure in the respect of Equity Share

- (a) The Company does not have any Holding Company or Ultimate Holding Company.
- (b) No ordinary shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- (c) The Company has not bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

14. Other Equity

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income	Total
	Securities Premium	Retained Earnings				
Balance as at 1st April, 2022	15,055.59	(23,611.73)	3,112.99	28,506.44	268.12	23,331.41
Profit/ (Loss) for the year		(5,369.62)				(5,369.62)
Remeasurement benefits Gain/ (Loss) (Net of tax)		(0.93)				(0.93)
Fair Value of Equity Instrument through FVOCI					227.17	227.17
Balance as at 31st March, 2023	15,055.59	(28,982.28)	3,112.99	28,506.44	495.29	18,188.03

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

14. Other Equity (Contd.)

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income Equity Instruments through Other Comprehensive Income	Total
	Securities Premium	Retained Earnings				
Balance as at 1st April, 2023	15,055.59	(28,982.28)	3,112.99	28,506.44	495.29	18,188.03
Profit/ (Loss) for the year		1,438.90				1,438.90
Remeasurement benefits Gain/ (Loss) (Net of tax)		(78.78)				(78.78)
Fair Value of Equity Instrument through FVOCI					(117.62)	(117.62)
Balance as at 31st March, 2024	15,055.59	(27,622.16)	3,112.99	28,506.44	377.67	19,430.53

Description of nature and purpose of each reserve

Securities Premium

This reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

Retained Earnings

It comprises of accumulated profit/(losses) of the company.

6% Redeemable Preference Shares

The CCPS was converted to 6% Redeemable Preference Shares under section 48 of the Companies Act, 2013 and the Article 10 of the Articles of Association of the Company which is ratified in writing by holders of atleast 3/4th of nominal value of issued Preference Shares. The company will convert the same into CCPS and subsequently into equity in future.

Equity Component of Optionally Convertible Debenture

This contains the equity portion of the Optionally convertible debentures issued in lieu of long term borrowings as per the terms of the restructuring scheme.

Equity Instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of quoted investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

15. Long Term Borrowings

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
a. Secured		
i. Term loans		
From Banks		
Indian rupee loan (Gross)	7,164.20	12,587.12
Less : Current Maturities of Long Term Borrowings (Note 17)	4,927.00	5,273.00
	2,237.20	7,314.12
ii. Liability Component of Optionally Convertible Debenture		
Optionally Convertible Debenture (Note 15.1 (b))	30,121.51	29,501.59
	30,121.51	29,501.59
b. Unsecured		
Inter-Corporate Deposits	1,950.00	70.00
Loans from related parties	554.00	450.00
Interest free loan from promoter/promoter group companies (Note 15.1 (c))	12,795.80	12,795.80
	15,299.80	13,315.80
Total (a+b)	47,658.51	50,131.51
The above amount includes:		
Secured borrowings	32,358.71	36,815.71
Unsecured borrowings	15,299.80	13,315.80
Net Amount	47,658.51	50,131.51

15.1 Terms of Repayments

- Term Loan facilities from banks are secured by first pari-passu charge on the entire fixed assets (both present & future) and Second pari-passu charge on the entire current assets (both present & future) of the company's manufacturing facilities situated at Jamgaon, Raigarh in the state of Chhattisgarh. Personal guarantee of Puramal Agrawal, Suresh Kumar Agrawal, Manish Agrawal and Saket Agrawal is given alongwith corporate guarantee of M/s Ilex Pvt Ltd. Corporate Guarantee is restricted to the extent of shares pledged of the promoter group companies. The interest rate on the domestic long term borrowings are of 2.90% above 6 months MCLR. The Term Loan facilitated from the bank is repayable in 30 Quarterly Instalments from December 2017. Last instalment due in September 2025.
- The Company has issued 451,970,554 nos. of OCDs amounting to ₹ 451,97.05 lakhs during the year 2017-18. The OCDs shall have moratorium period of 7 years and shall be repayable in 36 structured quarterly instalments starting from December, 2024 and maturing on September 2033. The OCDs shall carry a coupon rate of 0.01% pa. payable quarterly till maturity. The OCDs will be converted to Equity at the option of the Debenture holders. OCDs may be redeemed alongwith a redemption premium. The redemption premium will be calculated with YTM @ 2.00% p.a. compounded quarterly. As per valuation report and relevant IND AS, PV of OCD as on the OCD issuing date i.e. March 21, 2018 is ₹ 166.90 crore which has been treated as financial liability and balance of ₹ 285.07 crore has been treated as other equity. Subsequently interest expenses (the unwinding of the discount) have been booked at market rate (11.5%) to unwind the liability component to the extent of value of OCD.

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

15. Long Term Borrowings (Contd.)

- c) Pursuant to the scheme for restructuring of loan as approved by the Overseeing Committee (OC) of Reserve Bank of India and agreement dated 24.01.2018 , the Promoter / Promoters' group has transferred 12,85,78,044 equity shares, at ₹ 10/- per equity share of ₹ 12857.80 lakhs, to JLF lenders, as a part payment of unsustainable debt and the same is treated as unsecured loan and shall always be subordinated to the existing senior debt of the borrower.
- d) Rate of Interest for the loan from the related parties is maximum being 10%.

16. Provisions

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Provision for employee benefits				
For Gratuity (Refer Note No. 40)	-	-	227.48	154.79
For Leave Benefits	150.78	133.78	9.09	6.85
Others*	-	-	-	132.69
Total	150.78	133.78	236.57	294.33

* The Other Provision includes purchase obligations of Renewable Energy Certificates (E-Cert).

16.1 Movement of Other Provision

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
As at the beginning of the year	132.69	132.69
Created during the year	-	-
Reversal during the year	132.69	-
As at the end of the year	-	132.69

17. Short-Term Borrowings

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
Secured		
Rupee Loan from Banks		
Cash Credit Facility	17,469.45	23,626.34
Current Maturities of Long Term Borrowings	4,927.00	5,273.00
Foreign Currency Loan from Banks		
Working Capital Loan	7,141.41	-
Unsecured - Loan repayable on demand		
From Body Corporates		
Inter Corporate Deposits	875.00	875.00
	30,412.86	29,774.34
The above amount includes		
Secured Borrowings	29,537.86	29,098.67
Unsecured Borrowings	875.00	875.00

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

17. Short-Term Borrowings (Contd.)

17.1 Terms and conditions attached to Short term borrowings from banks

(a) Cash Credit facilities from banks are secured by first pari-passu charge on the entire current assets (both present & future) and Second pari-passu charge on the entire fixed assets (both present & future) of the company's manufacturing facilities situated at Jamgaon, Raigarh in the state of Chhattisgarh. Personal guarantee of Puramal Agrawal, Suresh Kumar Agrawal, Manish Agrawal and Saket Agrawal is given alongwith corporate guarantee of M/s Ilex Pvt Ltd. Corporate Guarantee is restricted to the extent of shares pledged of the promoter group companies. The rate of interest on cash credit is 2.75% above 6 month MCLR.

(b) The Intercorporate loans carry an interest rate of 9.85% p.a (Previous Year - 9.85%)

17.2 Refer Note No. 45 in the respect of Quarterly Return/Statement filed with the bank in lieu of sanctioned working capital facilities.

18. Trade Payables

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Total outstanding dues to micro enterprises and small enterprises	909.70	574.78
Total outstanding dues to Creditors other than micro enterprises and small enterprises	20,743.42	20,074.50
	21,653.12	20,649.28

18.1 Trade Payables include acceptances and arrangements where operational suppliers of goods and services are paid by banks while the company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 or 180 days amounting to ₹ 7,602.70 lakhs (previous year ₹ 8,867.75 lakhs)

18.2 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015.

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
i The principal amount remaining unpaid to any supplier as at the end of each accounting year;	906.89	573.54
ii The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	2.81	1.24
iii The amount of interest paid by the buyer under MSMED Act, 2006	Nil	Nil
iv The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
v The amount of interest accrued and remaining unpaid at the end of accounting year; and	2.81	1.24
vi The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	2.81	1.24

The above information has been determined to the extent such parties have been identified on the basis of information available with the company.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

18. Trade Payables (Contd.)

18.3 Trade Payables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding as on March 31, 2024 from due date of payment				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues - MSME	904.71	-	-	-	904.71
Undisputed dues - Others	18,699.87	204.76	26.19	214.10	19,144.92
Disputed dues - MSME	-	3.86	0.09	1.04	4.99
Disputed dues - Others	-	-	-	-	-
Total	19,604.58	208.62	26.28	215.14	20,054.62
Unbilled Dues					1,598.50
Grand Total					21,653.12

(₹ in Lakhs)

Particulars	Outstanding as on March 31, 2023 from due date of payment				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues - MSME	567.12	-	-	-	567.12
Undisputed dues - Others	18,084.11	67.45	44.87	188.98	18,385.41
Disputed dues - MSME	-	6.62	1.04	-	7.66
Disputed dues - Others	-	-	-	-	-
Total	18,651.23	74.07	45.91	188.98	18,960.19
Unbilled Dues					1,689.09
Grand Total					20,649.28

19 Other Financial Liabilities

(₹ in Lakhs)

Particulars	Current	
	As at 31 st March 2024	As at 31 st March 2023
Retention / Security Deposit	628.64	580.53
Interest accrued and due on borrowings	264.94	123.52
Unpaid Dividend	-	-
Employee Liabilities	512.34	480.31
Other Payables on capital purchases	162.91	162.91
	1,568.83	1,347.27

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

20 Other Current Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Contract Liabilities (includes Deferred Performance Obligations)	3,463.67	4,998.01
Others (including statutory dues payable)	271.49	195.81
	3,735.16	5,193.82

21 Revenue from Operations

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
(a) Sale of Products		
Finished Goods	2,83,651.83	2,48,904.56
Power	1,573.37	1,537.54
Traded Goods	241.52	3,001.92
(b) Sale of Services		
Job Work Service	-	4.08
Total (a+b)	2,85,466.72	2,53,448.10
(c) Other Operating Revenue		
Sale of Scrap and By-products	1,918.68	1591.86
Total (c)	1,918.68	1591.86
Total (a+b+c)	2,87,385.40	25039.96

The Company is engaged in the manufacturing of Iron & Steel Products and generates revenue from the sale of Iron & Steel products and the same is only the reportable segment of the Company.

Disaggregation of Revenue	(₹ in Lakhs)	
	2023-24	2022-23
Revenue as per Geography		
Domestic	2,83,999.38	2,53,395.99
Exports	1,467.34	52.11
Total	2,85,466.72	2,53,448.10
Revenue as per Major Products		
Pellet	61,179.85	55,008.31
Sponge Iron	25,793.95	12,430.19
MS Billets	19,248.11	11,356.37
TMT Bars (incl Structural Products)	1,77,429.92	1,70,109.69
Power	1,573.37	1,537.54
Job Work Service	-	4.08
Others	241.52	3,001.92
Total	2,85,466.72	2,53,448.10

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

21 Revenue from Operations (Contd.)

(₹ in Lakhs)

	2023-24	2022-23
Disaggregation of Revenue		
Timing of Revenue		
At a point in time	2,85,466.72	2,53,448.10
Over time	-	-
Total	2,85,466.72	2,53,448.10
Sales Channel		
Direct to Customers	78,637.37	79,145.52
Through Intermediaries	2,06,829.35	1,74,302.58
Total	2,85,466.72	2,53,448.10

Contract balances

The company discloses receivables from contracts with customer separately in the balance sheet. To comply with the other disclosures requirements for contract assets and contract liabilities, the following information is disclosed below.

(₹ in Lakhs)

Particulars	2023-24	2022-23
Trade Receivables	7,008.39	7,502.85
Contract Assets	-	-
Contract Liabilities (includes Deferred Performance Obligations)	3,463.67	4,998.01
Other Information		
(a) Transaction price allocated to the remaining performance obligations	Nil	Nil
(b) The amount of revenue recognised in the current year that was included in the opening contract liability balance	4,979.93	1,043.11
(c) The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
(d) Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil
Significant payment terms		
Financing Component	Nil	Nil

(₹ in Lakhs)

Reconciliation of Revenue from operations with contract price	2023-24	2022-23
Contract Price	2,86,090.02	2,53,711.11
Less :		
Sales Returns	327.12	168.23
Trade & Cash Discount	296.18	94.78
Deferred Performance Obligations	-	-
Total	2,85,466.72	2,53,448.10

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

22. Other Income

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
(a) Interest income on		
Loans, Fixed Deposits, etc.	180.51	160.97
(b) Other Non-Operating Income		
Dividend income on Investments	330.56	-
Profit on sale of Investments	4.80	-
Extinguishment of Financial Liability	-	915.19
Reversal of provision on Expected Credit Loss	3,075.13	-
Exchange Differences	147.80	-
Others	97.05	81.31
Total	3,835.85	1,157.47

23. Cost of Material Consumed

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Inventory at the beginning of the period	31,467.21	28,332.53
Add: Purchases	2,31,753.56	20,692.78
Less: Inventory at the end of the period	30,028.36	31,467.21
Total	2,33,192.41	20,379.31

24. Purchase of Stock in Trade

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Coal	221.87	1,844.41
Manganese Ore	-	868.28
Total	221.87	2,712.69

25. Changes in Inventories of Finished Goods, By-products, Work-in Progress and Stock in Trade

Particulars	(₹ in Lakhs)	
Inventories at the end of the period	2023-24	2022-23
Finished Goods	8,265.43	8,012.62
Work-in-Progress	4,896.16	2,275.84
By-Products	1,651.97	573.04
Stock in Trade	-	37.63
Total	14,813.56	10,899.13

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

25. Changes in Inventories of Finished Goods, By-products, Work-in Progress and Stock in Trade (Contd.)

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Inventories at the beginning of the period		
Finished Goods	8,012.62	9,168.92
Work-in-Progress	2,275.84	3,526.30
By-Products	573.04	683.87
Stock in Trade	37.63	44.87
	10,899.13	13,423.96
(Increase)/Decrease in Inventories		
Finished Goods	(252.81)	1,156.30
Work-in-Progress	(2,620.32)	1,250.46
By-Products	(1,078.93)	110.83
Stock in Trade	37.63	7.24
Total	(3,914.43)	2,524.83

26. Employee Benefits Expenses

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Salaries and Wages	6,124.84	5,303.26
Contribution to Provident and Other Funds	259.82	241.55
Gratuity (refer note 40)	122.78	112.20
Staff Welfare Expenses	143.64	121.23
Total	6,651.08	5,778.24

27. Finance Costs

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Interest Expenses		
- On Loans	3,557.31	3,788.89
- On OCD *	4,019.92	3,162.18
Exchange Differences regarded as an adjustment to borrowing cost	39.15	146.88
Other Finance Charges	1,147.29	1,099.10
Total	8,763.68	8,197.05

* It represents the unwinding of the discount on OCD (refer Note 15(b))

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

28. Depreciation and amortization expense

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Depreciation of assets	5,528.56	5,393.98
Amortization of assets	11.98	13.42
Total	5,540.54	5,407.40

29. Other Expenses

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Consumption of Stores and Spares	13,069.41	12,396.03
Power and Fuel	5,658.79	3,606.10
Rent	157.00	75.84
Rates and Taxes	325.73	328.69
Insurance	276.24	190.89
Repairs		
Plant and Machinery	2,482.95	1,925.69
Buildings	621.25	789.57
Others	253.47	329.77
Other Manufacturing Expenses	11,052.01	9,211.48
Advertising and Other Sales Promotion Expenses	1,915.67	1,273.76
Freight Outward	350.49	490.75
Legal and Professional Charges	728.96	977.65
Payment to Auditors (Refer details below (29.1))	11.25	10.39
Foreign Exchange Differences (Net)	-	175.49
Provision for Expected Credit Loss on Trade Receivable & Advances	-	220.14
Corporate Social Responsibility (refer note no. 43)	236.47	194.38
Miscellaneous Expenses (refer note no. 48)	1,553.60	1,646.43
Total	38,693.29	33,843.05

29.1 Payment to Auditors

Particulars	(₹ in Lakhs)	
As Auditors:	2023-24	2022-23
Statutory Audit fee	5.50	5.50
Limited Review	4.50	4.50
Certification fees and other services	1.25	0.15
Reimbursement of expenses	-	0.24
Total	11.25	10.39

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

30 Exceptional Items

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Impairment Reversal of Investment in Associate (Net) (refer note below)	-	30.75
Total	-	30.75

Note :

On the basis of physical verification of non-current assets and cash generation capacity of those assets, in the management perception, there is no impairment of non current assets as on 31st March 2024. Based on the registered valuers' valuation report, the management has recognised an impairment reversal on the investment in its Joint Venture Madanpur South Coal Company Limited of ₹ 30.75 Lakhs for the FY 2022-23.

31. Income Tax

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
A. The major components of income taxes expense for the year are as under:		
i Income tax expense recognised in the statement of profit and loss		
Current Tax for the year		
Current Tax	-	-
Deferred Tax	-	-
Income tax expense recognised in the statement of profit and loss	633.91	(658.65)
ii Income tax expense recognised in OCI	633.91	(658.65)
Deferred Tax :		
Deferred tax expenses on remeasurement benefit of defined benefit plans and equity instruments measured through OCI	45.75	(4.32)
Income tax expense recognised in OCI	45.75	(4.32)
Total Tax (i+ii)	679.66	(662.97)
B. Reconciliation of tax expense and the accounting profit for the year is as under		
Profit before tax		
Income tax expense	2,072.81	(6,028.27)
Deferred tax assets creation/(reversal) on unabsorbed depreciation	646.72	(1,880.82)
Effects of permanent disallowances	220.50	(774.37)
Creation/(Utilisation) of carried forward loss	(223.78)	1,027.27
Other Items	-	963.44
Tax expenses as per Statement of Profit and Loss & OCI	36.22	1.51
	679.66	(662.97)

C. The Taxation Laws (Amendment) Ordinance 2019 was promulgated on September 20, 2019. The Ordinance amends the income tax Act 1961 and the Finance Act 2019. The Ordinance provides domestic companies with a non-reversible option to opt for lower tax rates, provided they do not claim certain deductions. The company has evaluated the same and decided to continue with the existing tax structure until utilisation of accumulated minimum alternate tax (MAT), tax incentives and other deductions available to the Company

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

32. Other Comprehensive Income

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Remeasurements of the defined benefit plans	(78.78)	(1.35)
Equity Instruments through Other Comprehensive Income	(71.87)	223.27
Less : Income tax on the above	(45.75)	4.32
Total	(196.40)	226.24

33. Earnings Per Share (EPS)

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Earnings Per Share has been computed as under:		
Profit/ (Loss) After Tax	1,438.90	(5,369.62)
Net Profit for Calculation of Basic and Diluted EPS	1,438.90	(5,369.62)
	No.	No.
Weighed average number of equity shares in calculating Basic EPS	38,54,15,000	38,54,15,000
Weighed average number of equity shares in calculating Diluted EPS *	41,65,35,000	41,65,35,000
Face value of share (₹)	10	10
Earnings Per Share		
Basic (₹)	0.37	(1.39)
Diluted (₹)	0.35	(1.29)

* The potential ordinary shares, on account of conversion of OCD, are anti-dilutive and are therefore excluded from the weighted average number of equity shares for the purpose of diluted earnings per share.

34 Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 (G) to the financial statements.

i) Financial assets & liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023;

Particulars	31 st March 2024			31 st March 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Equity instruments*	-	4,035.88	-	-	4,115.82	-
Trade receivables	-	-	7,008.39	-	-	7,502.85
Cash and cash equivalents	-	-	2,578.12	-	-	1,066.59

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

34 Financial instruments (Contd.)

(₹ in Lakhs)

Particulars	31 st March 2024			31 st March 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Other Bank Balances	-	-	2,107.54	-	-	1,468.56
Other Financial Assets	-	-	1,333.34	-	-	1,242.15
Total	-	4,035.88	13,027.39	-	4,115.82	11,280.15
Financial liabilities						
Borrowing	-	-	78,071.37	-	-	79,905.85
Trade Payable	-	-	21,653.12	-	-	20,649.28
Other financial Liabilities	-	-	1,568.83	-	-	1,347.27
Total	-	-	1,01,293.32	-	-	1,01,902.40

*Equity investments exclude investments made in subsidiaries, associates & joint venture (net of impairment loss) of ₹ 255.35 Lakhs (previous year - ₹ 255.35 Lakhs) which have been measured at cost.

ii) Fair values hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ in Lakhs)

31 st March, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at FVOCI					
Quoted Equity instruments		15.22			15.22
Unquoted Equity instruments		-	-	4,020.66	4,020.66
Total financial assets		15.22	-	4,020.66	4,035.88
Financial liabilities					
Financial instruments at FVTPL					
Derivative liability			-		-
Total financial liabilities		-	-	-	-

There were no movement between level 1 and level 2 during the period.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

34 Financial instruments (Contd.)

Financial Instruments measured at fair value

31 st March, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at FVOCI					
Quoted Equity instruments		23.29			23.29
Unquoted Equity instruments		-	-	4,092.53	4,092.53
Derivative asset			-		-
Total financial assets		23.29	-	4,092.53	4,115.82
Financial liabilities					
Financial instruments at FVTPL					
Derivative liability		-	-	-	-
Total financial liabilities		-	-	-	-

There were no movement between level 1 and level 2 during the period.

iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- Quoted investments (Equity Shares)- Market Value
- Unquoted Investments - As determined by Independent Valuer. The equity shares of ₹ 4,020.66 Lakhs (31.03.2023 - ₹ 4,092.53 lakhs) are not listed. Fair value estimates of equity investments are included in level-3 and are based on information relating to value of investee company's net assets and DCF methods.
- The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. Refer (iii)(b) above for the valuation techniques adopted.

(₹ in Lakhs)

Particulars	Significant Unobservable Input	Fair Value as at		Sensitivity of the input to fair value		
		31 st March 2024	31 st March 2023	+ (0.5%)	332.86	326.37
Equity instruments	DCF	331.20	324.75	- (0.5%)	329.54	323.13
	NAV	3,689.46	3,767.78	+ (0.5%)	3,707.91	3,786.62
				- (0.5%)	3,671.01	3,748.94

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

34 Financial instruments (Contd.)

v) The following table presents the changes in level 3 items for the periods ended 31st March 2024 and 31st March 2023:

Particulars	(₹ in Lakhs)
As at 31st March 2022	287.98
Gains/ (losses) recognised in other comprehensive income	44.32
Change in nature of holding from associate to non-associate	3,760.23
As at 31st March 2023	4,092.53
Gains/ (losses) recognised in other comprehensive income	(71.87)
As at 31st March 2024	4,020.66

35. Financial Risk Management, Objectives and Policies

A) Capital Management

i) Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company comprises all components attributable to the owners of the Company

The following table summarises the Net Debt, Equity and Ratio thereof.

Particulars	31 st March 2024	31 st March 2023
Total Borrowings (including current maturities)	78,071.37	79,905.85
Less: Cash & Cash Equivalents & Other bank balances	4,685.66	2,535.15
Net Debts (A)	73,385.71	77,370.70
Total equity (refer note 14 & 15)	57,972.03	56,729.53
Total equity & Net Debt (B)	1,31,357.74	1,34,100.23
Net debt to capital employed Ratio (A/B)	0.56	0.58

No changes were made in the objective policies & process for expenditure as on 31st March 2024 & 31st March 2023.

ii) Dividends

The company has not declared/paid any dividend for FY 2022-23 and no dividend has been proposed for FY 2023-24.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies (Contd.)

B) Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the company has risk management policies as described below :-

i) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents. None of the financial instruments of the Company result in material concentration of credit risks.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and reconciled. Based on historical trend, industry practice and the business environment in which the company operates, an impairment analysis is performed at each reporting date for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9.

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

(₹ in Lakhs)

Contractual maturities of financial liabilities as at 31 st March 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	30,412.86	2,464.00	6,049.00	39,145.51	78,071.37
Trade payable	21,653.12	-	-	-	21,653.12
Other payables	1,568.83	-	-	-	1,568.83
Derivatives Derivative Liability	-	-	-	-	-
Total	53,634.81	2,464.00	6,049.00	39,145.51	1,01,293.32

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

35. Financial Risk Management, Objectives and Policies (Contd.)

		₹ in Lakhs)				
Contractual maturities of financial liabilities as at 31 st March 2023		Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings	29,774.34	4,927.00	2,464.00	42,740.51	79,905.85	
Trade payable	20,649.28	-	-	-	20,649.28	
Other payables	1,347.27	-	-	-	1,347.27	
Derivatives Derivative Liability	-					-
Total	51770.89	4,927.00	2,464.00	42,740.51	101902.40	
Probable Interest Payout on Term Loans		Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As on 31-03-2024	485.31	242.70			-	728.01
As on 31-03-2023	1,031.30	545.92	90.98		-	1,668.20

c) Market Risk

i) Foreign currency risk

The company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the company's functional currency.

Foreign currency risk exposure – Unhedged

The company's exposure to foreign currency risk at the end of the reporting period expressed are as follows:

Currency	Liabilities	
	31 st March 2024	31 st March 2023
USD	7,141.40	-

Nominal value of forward contracts & option contracts that hedge monetary liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the Statement of profit and loss. The value of such contracts amount to ₹ Nil (previous year - ₹ 2532.00 lakhs)

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for fair value through profit and loss and are included in other income / expenses.

Sensitivity

The sensitivity of profit or loss after tax and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	31 st March 2024	31 st March 2023
USD sensitivity		
INR/USD- increase by 10% *	(491.33)	-
INR/USD- decrease by 10% *	491.33	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies (Contd.)

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing and long term borrowings with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Below is the overall exposure of the company to interest rate risk:

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Variable rate borrowing	31,775.06	36,213.46
Fixed rate borrowing	3,379.00	1,395.00
Total borrowings	35,154.06	37,608.46

Note : The above borrowings do not include the interest free loans and Liability component of Optionally Convertible Debentures. (Refer Note No. 15 & 17)

Sensitivity

Below is the sensitivity of profit or loss after tax and equity to changes in interest rates.

Particulars	(₹ in Lakhs)	
Interest sensitivity	31 st March 2024	31 st March 2023
Interest rates increases by 100 basis points	218.61	249.15
Interest rates decrease by 100 basis points	(218.61)	(249.15)

D) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI.

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Fair Value of Quoted Equity Investments	15.22	23.29
Total Equity Investments	15.22	23.29

Sensitivity

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Increase in market price by 5%	0.52	0.80
Decrease in market price by 5%	(0.52)	(0.80)

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

36. Contingent Liabilities and Commitments

Contingent Liabilities and commitments to the extent not provided for in respect of:

a) Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Excise/Service Tax/GST Matters under dispute/ appeal	1,260.55	2,980.61
Income Tax Matters under dispute/ appeal (net of payment)	268.86	135.89
Right to Recompense available with the lenders *	27,801.00	27,801.00

* Right to recompense available to the lenders amounting to ₹ 27,801 Lakhs (previous year - ₹ 27,801 lakhs) as per Article VIII of the Master Restructuring Agreement dated March 23, 2015 read with the Master Framework Agreement and Share Transfer & Confirmation Agreement ("Master agreement") executed on January 24, 2018 for the entire tenure of loans.

b) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

c) Capital Commitment

The capital commitment for the company amounts to ₹ nil (₹ nil)

37. The Company did not raise any term loans or no new working capital borrowings have been sanctioned the current year. Accordingly, the Company does not have any charges to be filed or satisfaction which is yet to be registered with ROC beyond the statutory period.

38. The company has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.

39. Short Term Leases

The Company's leasing arrangements are in respect of short term leases for office premises at Kolkata and Raigarh, depot at Raipur & guest houses at Raigarh, Gairkata, Keonjhar, Vishakapatnam and Kolkata. These leasing arrangements which are cancellable for period of 11 months and the Company has elected not to recognize ROU assets and lease liabilities for short term leases and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company has paid lease rentals of ₹ 157.00 Lakhs (Previous year - ₹ 75.84 Lakhs). The company also hires equipments on short term contract basis, and has paid ₹ 1,942.30 Lakhs (Previous year - ₹ 1,854.18 Lakhs) against it during the year which is included in other miscellaneous expenses.

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'

Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under :

(₹ in Lakhs)

Sl.No.	Particulars	31 st March 2024	31 st March 2023
a)	Provident Fund & ESI	259.82	241.55

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

40. Disclosure pursuant to Indian Accounting Standard – 19 'Employee Benefits' (Contd.)

Defined Benefit Plan:

a) Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

b) Risk Exposure

Defined benefit plans expose the Company to the following types of actuarial risks:

Interest rate risk: The Plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements.)

Liquidity Risk: This is the risk that the company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

Salary Escalation Risk: The Present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participant in future. Deviation in the rate of increase of salary in future for plan participant from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The company has used certain mortality and attrition assumption in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirement of the Payment of Gratuity Act, 1972 (as amended from time to time). There is risk of change in regulation requiring higher gratuity payout (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular Investment.

c) Reconciliation Of the net defined benefit (Assets/Liabilities)

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Balance at the beginning of the year	956.37	847.93	140.63	125.82
Current Service Cost	111.23	101.20	20.69	20.59
Interest Cost on Defined Benefit Obligation	71.40	61.85	10.50	9.18
Actuarial (gain)/losses arising from:				
Changes in demographic assumptions	(0.54)		(0.04)	
Changes in financial assumptions	38.73	(17.40)	6.11	(2.78)
Experience adjustment	30.37	16.32	(18.03)	(12.18)
Benefits paid from the plan assets	(75.66)	(53.53)	-	-
Balance at the end of the year	1,131.90	956.37	159.86	140.63

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' (Contd.)

d) Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Balance at the beginning of the year	801.58	697.20
Interest Income on Plan Assets	59.84	50.86
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(10.21)	(2.43)
Employer Contributions to the Plan	128.87	109.48
Benefits Paid from the Plan Assets	(75.66)	(53.53)
Balance at the end of the year	904.42	801.58

e) The amount recognised in the Balance Sheet

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Present value of Defined Benefit Obligation	1,131.90	956.37	159.86	140.63
Fair Value of Plan Assets	(904.42)	(801.58)	-	-
Net (Asset)/Liability in the Balance Sheet	227.48	154.79	159.86	140.63

f) Expenses recognized in profit or loss

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Current Service Cost	111.23	101.20	20.69	20.59
Interest Cost	71.39	61.86	10.50	9.18
Changes in demographic assumptions			(0.04)	-
Changes in financial assumptions	-	-	6.11	(2.78)
Experience adjustment	-	-	(18.03)	(12.18)
Interest Income on Plan Assets	(59.84)	(50.86)	-	-
Total Defined Benefit Cost recognized in Profit & Loss	122.78	112.20	19.23	14.81

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

40. Disclosure pursuant to Indian Accounting Standard – 19 'Employee Benefits' (Contd.)

g) Remeasurements recognized in other comprehensive income

Particulars	(₹ in Lakhs)	
	Gratuity (Funded)	Leave
	2023-24	2022-23
Actuarial (gain)/losses arising from:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	38.73	(17.40)
Experience adjustment	30.37	16.32
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	10.21	2.43
Total Defined Benefit Cost recognized in Other Comprehensive Income	78.78	1.35

h) Major Categories of Plan Assets

Particulars	(₹ in Lakhs)	
	Gratuity (Funded)	Leave
	2023-24	2022-23
Qualified Insurance Policies	100%	100%

The Gratuity Scheme is invested in policies offered by Life Insurance Corporation (LIC) of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

i) Asset Liability Matching Strategy

The company has purchased insurance policy which is basically a year on year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance company as a part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of fund under the policy). The Policy, thus mitigate the liquidity risk. However, being cash accumulation plan the duration of assets shorter compared to the duration of liabilities. Thus the company is exposed to movement in interest rate (in Particular the significant fall in interest rate which should result in a increase in liability without corresponding increase in assets).

j) Actuarial Assumptions

Particulars	(₹ in Lakhs)	
	Gratuity (Funded)	Leave
	2023-24	2022-23
Financial Assumptions		
Discount Rate	7.45%	7.30%
Salary Escalation Rate	7.50%	7.50%
Demographic Assumptions		
Normal Retirement age	58 years	58 years
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal Rate	0.42%	0.42%
- Upto 40 years	0.42%	0.42%
- Above 40 years	0.00%	0.00%

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' (Contd.)

k) The company expect to contribute ₹ 266.46 Lakhs (Previous Year - ₹ 355.34 Lakhs) during the next annual reporting Period to gratuity fund.

l) As at 31st March 2024, the weighted average duration of the defined benefit obligation was 12 years (previous year- 12 years).The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

Expected benefits payment for the year ending on	Gratuity (Funded)	Leave	(₹ in Lakhs)
Within next 12 months (next annual reporting period)	75.50	9.08	
Between 2 and 5 years	190.58	22.64	
Between 6 and 10 years	435.21	52.66	
Beyond 10 years	2,328.84	403.36	

m) Sensitivity Analysis

Significant actuarial assumption for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possibly changes of the assumption occurring at the end of the reporting period, while holding all other assumption constant.The result of sensitivity assumption is given below:

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Defined Benefit Obligation (Base)	1,131.90	956.37	159.86	140.63

Particulars	Gratuity				Leave			
	31-Mar-24		31-Mar-24		31-Mar-24		31-Mar-23	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	1,274.91	1,010.51	1,080.98	850.85	182.71	140.81	160.65	123.90
Salary Growth Rate (-/+1%)	1,012.10	1,269.86	852.12	1,076.81	140.70	182.40	123.77	160.44
Attrition Rate(-/+ 50% Of attrition rates)	1,132.27	1,131.55	956.51	956.24	159.90	159.82	140.64	140.62
Mortality Rate (- / + 10% of mortality rates)	1,131.98	1,131.82	956.36	956.39	159.88	159.84	140.63	140.63

Although the analysis does not take into account the full distribution of cash flows expected under the period, it does an approximation of the sensitivity of the assumptions shown.

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures

Related party where control exists

a) Subsidiary Company

MSP Cement Limited	Wholly owned subsidiary
Prateek Mines & Minerals Private Limited	Subsidiary

b) Associates

AA ESS Tradelinks Private Limited ^a
--

c) Joint Venture

Madanpur South Coal Company Limited

d) Key Managerial Personnel & their relatives

Name	Designation
Suresh Kumar Agrawal	Chairman
Saket Agrawal	Managing Director
Dhananjay Uchit Singh *	Executive Director
Pradip Kumar Dey*	Non Executive Director
Manish Agrawal	Non Executive Promoter Director
Prateek Bansal ^	Non Executive Independent Director
Suneeta Mohanty	Non Executive Independent Director
Navneet Jagatramka	Non Executive Independent Director
Ashok Kumar Soin	Non Executive Independent Director
Kamal Kumar Jain	Chief Financial Officer
Shreya Kar	Company Secretary
Puranimal Agrawal	Relative - Father of Manish Agrawal
Kiran Agrawal	Relative - Mother of Manish Agrawal
Nisha Agrawal	Relative - Wife of Suresh Agrawal
Ekta Agrawal	Relative - Wife of Saket Agrawal
Richa Agrawal	Relative - Wife of Manish Agrawal
Pranay Agrawal	Relative - Son of Suresh Kumar Agrawal

e) Enterprises over which Key management Personnel and or relatives have significant influence

Name	Designation
Admirable Realtors Private Limited	Mayur Media Services Private Limited
Association of Asra Owners	Mecha Cast International
B.S. Confin Private Limited €	MSP Infotech Private Limited £
Bharat Earth Mover	MSP Mines & Minerals Limited
Dexo Trading Private Limited	MSP Properties India Limited £

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

Name	Designation
Emerald Tradelink Private Limited ^c	MSP Sponge Iron Limited
Gajgamini Vinimay Private Limited	Orbit Dealcom Private Limited
High Time Holdings Private Limited ^c	Procheta Consultants Private Limited
Howrah Gases Limited	Sampat Marketing Co. Private Limited
Ilex Private Limited	Shree Vinay Finvest Private Limited
Indoves Industrial Private Limited	Shri Enterprise
Inertia Enterprise	Sidhsilver InfraproPERTIES Private Limited ^d
Jagran Vyapaar Private Limited ^y	Sikhar Commotrade Private Limited
Jaik Leasing And Commercial Investment Limited ^y	Subh Enterprise
K.C. Texofine Private Limited ^d	Swift & Company
Khatupati Energy Limited	West Sintex
M.A. Hire Purchase Private Limited	Yantriki

^a Appointed as a Non executive independent director w.e.f. 01st Sept. 2022

^{*} Resigned as an Executive Director w.e.f 28th Dec. 2022

^k Appointed as an Executive director w.e.f. 10th Jan. 2023

^f Merged with M.A. Hire Purchase Private Limited w.e.f. 18th July 2022

^a Merged with M.A. Hire Purchase Private Limited w.e.f. 18th July 2022. Ceases to be an associate post the merger.

^c Merged with Procheta Consultants Private Limited w.e.f. 30th Jan. 2024.

^y w.e.f. 27th Mar. 2024, Jagran Vyapaar Private Limited became related party.

^e Merged with Jaik Leasing And Commercial Investment Limited.

^d w.e.f. 01st Apr. 2023, Sidhsilver InfraproPERTIES Private Limited became related party.

Nature of Transactions (including taxes & duties where ever applicable)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Sales		
Admirable Realtors Private Limited	0.31	2.52
Indoves Industrial Private Limited	3,507.84	1,282.21
MSP Sponge Iron Limited	4,220.63	5,437.12
Dividend Income		
Madanpur South Coal Company Limited	330.49	-
Interest Received		
MSP Cement Limited	4.50	-
Store Chargeble Issue		
Bharat Earth Mover	4.98	4.42
Inertia Enterprise	3.15	3.47
Mecha Cast International	0.57	1.17
Shree Vinay Finvest Private Limited	3.78	1.61

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Shri Enterprise	1.65	0.54
Subh Enterprise	0.26	2.69
Swift & Company	2.05	1.77
West Sintex	-	0.66
Yantriki	0.52	1.46
Purchase of Raw Material & Components Consumed		
Howrah Gases Limited	-	-
Indoves Industrial Private Limited	773.73	460.88
MSP Sponge Iron Limited	15,332.22	15,142.85
Shree Vinay Finvest Private Limited	16.62	23.70
Service Charges paid for Corporate Guarantee given by party		
MSP Sponge Iron Limited	53.27	-
Directors' Remuneration		
Dhananjay Uchit Singh	-	13.41
Manish Agrawal	56.22	55.45
Saket Agrawal	59.57	58.67
Suresh Kumar Agrawal	56.93	55.89
Key Managerial Remuneration		
Kamal Kumar Jain	38.97	34.75
Shreya Kar	10.74	9.45
Expenses paid by party on behalf of us		
Indoves Industrial Private Limited	24.71	29.32
M.A. Hire Purchase Private Limited	4.41	-
MSP Cement Limited	0.29	-
MSP Sponge Iron Limited	234.42	340.38
MSP Properties India Limited	-	-
Sidhsilver InfraproPERTIES Private Limited	35.55	-
Yantriki	-	0.94
Expenses paid us party on behalf of party		
Indoves Industrial Private Limited	2.66	0.25
MSP Sponge Iron Limited	24.30	44.57
MSP Cement Limited	-	-
Howrah Gases Limited	2.80	1.95
Rent Expenses		
Ekta Agrawal	11.52	11.52
Jaik Leasing And Commercial Investment Limited	3.25	-

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
K.C. Texofine Private Limited	–	5.00
M.A. Hire Purchase Private Limited	35.40	23.60
MSP Properties India Limited	–	24.78
Richa Agrawal	8.64	8.64
Shree Khatupati Mercantiles Private Limited	–	5.00
Sidhsilver InfraproPERTIES Private Limited	92.04	–
Vehicle Hire Charges Paid		
Howrah Gases Limited	58.06	49.38
Jaik Leasing And Commercial Investment Limited	3.04	–
Mayur Media Services Private Limited	4.20	4.20
MSP Infotech Private Limited	–	31.86
Bharat Earth Mover	22.37	21.43
MSP Properties India Limited	–	4.67
Shreevadhu Mercantile Private Limited	–	4.40
Maintenance Charges Paid		
Association of Asra Owners	1.78	–
Equipment Hire Charges Paid		
Bharat Earth Mover	100.78	93.26
Inertia Enterprise	82.03	85.21
Khatupati Energy Limited	67.26	67.26
Mecha Cast International	55.93	37.52
Shri Enterprise	41.70	46.79
Shree Vinay Finvest Private Limited	338.73	241.06
Yantri	79.01	83.55
Swift & Company	55.22	56.11
Subh Enterprise	53.54	74.59
West Sintex	39.65	41.54
Expense on Raw Materials		
MSP Mines & Minerals Limited	35.40	35.40
MSP Sponge Iron Limited	630.72	344.31
Repayment of Loans & Advances Given		
Prateek Mines & Minerals Private Limited	–	0.08
Repayment of Loans & Advances		
AA ESS Tradelinks Private Limited	–	0.01
Ilex Private Limited	–	23.00
Orbit Dealcom Private Limited	13.00	–

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Orbit Dealcom Private Limited	13.00	-
Gajgamini Vinimay Private Limited	10.43	10.45
Sampat Marketing Co. Private Limited	-	21.00
Loans & Advances Taken		
Gajgamini Vinimay Private Limited	10.43	10.45
Orbit Dealcom Private Limited	13.40	1.07
Procheta Consultants Private Limited	2001.21	-
Guarantee Obtained		
Manish Agrawal	545.30	495.64
Puranmal Agrawal	259.99	250.55
Saket Agrawal	498.08	425.73
Suresh Kumar Agrawal	481.99	374.11
Loans & Advances (Closing Balance)		
AA ESS Tradelinks Private Limited	-	-
MSP Cement Limited	54.34	50.58
Howrah Gases Limited	-	-
Prateek Mines & Minerals Private Limited	-	-
MSP Properties India Limited	-	3.38
Shree Vinay Finvest Private Limited	1,095.00	1,095.00
Trade Receivable (Closing Balance)		
Admirable Realtors Private Limited	0.31	0.04
Indoves Industrial Private Limited	480.75	18.49
Sidhsilver InfraproPERTIES Private Limited	44.08	-
Trade Payable (Closing Balance)		
Bharat Earth Mover	9.90	9.24
Ekta Agrawal	0.86	0.86
Mayur Media Services Private Limited	0.32	0.32
Inertia Enterprise	4.65	5.53
Howrah Gases Limited	4.43	4.43
Jaik Leasing And Commercial Investment Limited	5.01	-
MSP Sponge Iron Limited	-	4,301.40
K.C. Texofine Private Limited	-	-
Khatupati Energy Limited	6.19	6.19
M.A. Hire Purchase Private Limited	2.70	2.45
Mecha Cast International	4.64	3.98
MSP Infotech Private Limited	-	2.43

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
MSP Properties India Limited	–	2.33
Richa Agrawal	0.65	0.65
Shreevadhu Mercantile Private Limited	–	–
Shri Enterprise	2.35	4.10
Shree Khatupati Mercantiles Private Limited	–	–
Shree Vinay Finvest Private Limited	1,161.38	78.15
Subh Enterprise	3.20	5.20
Yantriki	5.91	6.28
West Sintex	3.25	3.25
Swift & Company	4.41	4.32
MSP Mines & Minerals Limited	2.90	2.90
Advance Received (Closing Balance)		
MSP Sponge Iron Limited	2,886.43	–
Loans Taken (Closing Balance)		
B.S. Confin Private Limited	–	103.21
Dexo Trading Private Limited	1,617.00	1,617.00
Emerald Tradelink Private Limited	–	65.00
High Time Holdings Private Limited	–	1,833.00
Ilex Private Limited	1,522.00	1,522.00
Jaik Leasing And Commercial Investment Limited	915.00	–
M.A. Hire Purchase Private Limited	560.00	560.00
Orbit Dealcom Private Limited	51.67	66.07
Gajgamini Vinimay Private Limited	80.00	80.00
Procheta Consultants Private Limited	2,837.21	836.00
Sampat Marketing Co. Private Limited	2,234.00	2,234.00
Sikhar Commodity Trade Private Limited	740.59	740.59
Investments		
AA ESS Tradelinks Private Limited	–	–
Howrah Gases Limited	15.91	15.91
M.A. Hire Purchase Private Limited	4,370.68	4,370.68
Madanpur South Coal Company Limited	131.96	131.96
MSP Cement Limited	58.07	58.07
MSP Properties India Limited	–	0.75
Prateek Mines & Minerals Private Limited	65.32	65.32
MSP Sponge Iron Limited	49.50	49.50

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

42. Segment information

The Company is engaged in manufacturing of "Iron and Steel". Consequent to the adoption of IND-AS, the company has identified one operating segment viz, "Iron and Steel", which is consistent with the internal reporting provided to the managing director who is the chief operating decision maker of the company. The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

	(₹ in Lakhs)	
Revenue from external customers	2023-24	2022-23
India	2,83,999.38	2,53,395.99
Outside India	1,467.34	52.11
	2,85,466.72	2,53,448.10

	(₹ in Lakhs)	
Non-Current Assets *	As at 31st March 2024	As at 31st March 2023
India	81,626.45	82,597.03
Outside India	-	-
	81,626.45	82,597.03

*excludes financial assets, deferred tax, current tax assets, post-employment benefit assets and Investment in Subsidiaries, Associate & Joint Venture.

Information about major customers

Total amount of revenues from customers (each exceeding 10% of total revenues of the Company) is ₹ Nil (Previous Year ₹ Nil Lakhs) reported under Iron & Steel segment.

43. Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in accordance to the CSR Policy of the Company which includes Rural Development Project, eradicating hunger, poverty and malnutrition, healthcare and sanitation, animal welfare, etc. A CSR committee has been formed by the Company as per the Act.

	(₹ in Lakhs)	
Particulars	As at 31st March 2024	As at 31st March 2023
Amount required to be spent by the company during the year	-	-
Amount spent during the year on:	236.47	194.38
Construction/acquisition of any asset	115.96	14.94
On purposes other than above	120.51	179.44
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Contribution to a trust controlled by the company	26.00	-

Notes to the Standalone Financial Statements

for the year ended 31st March, 2024

43. Corporate social responsibility (Contd.)

For movement in CSR, refer below:

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Opening Balance	-	-
Gross amount to be spent during the year	-	-
Actual spent	236.47	194.38
(Excess) /short spent	(236.47)	(194.38)

44. Assets pledged as security

The carrying amounts of assets pledged as security are:

Particulars	Refer Note No.	(₹ in Lakhs)		
		As at 31 st March 2024	As at 31 st March 2023	
For Term Loan				
First Charge				
Equitable Mortgage				
Land	3(a)	941.36	961.67	
Factory Building	3(a)	7,922.50	8,352.29	
Other Building	3(a)	5,122.57	5,406.85	
First Hypothecation				
Plant & Machinery, Vehicle, office equipment and Furniture & Fixtures	3(a)	67,640.02	67,864.24	
Capital Work in Progress	3(b)	-	-	
Second Charge				
(a) Inventories	8	49,047.32	48,387.78	
(b) Financial Assets				
(i) Trade Receivables	9	7,008.39	7,502.85	
(ii) Cash and Cash equivalents	10	2,578.12	1,066.59	
(iii) Bank Balances other than (ii) above	11	2,107.54	1,468.56	
(iv) Other Financial Assets	5	34.26	55.53	
(c) Other Current Assets	12	11,757.87	13,622.90	
Total Assets Pledged against Term Loan		1,54,159.95	1,54,689.26	
For Cash Credit				
First Charge				
(a) Inventories	8	49,047.32	48,387.78	
(b) Financial Assets				
(i) Trade Receivables	9	7,008.39	7,502.85	
(ii) Cash and Cash equivalents	10	2,578.12	1,066.59	
(iii) Bank Balances other than (ii) above	11	2,107.54	1,468.56	
(iv) Other Financial Assets	5	34.26	55.53	
(c) Other Current Assets	12	11,757.87	13,622.90	
Second Charge				
(a) Property, Plant and Equipment	3(a)	81,626.45	82,585.05	
(b) Capital Work in Progress	3(b)	-	-	
Total Assets Pledged against Cash Credit		1,54,159.95	1,54,689.26	

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

45 The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

For the Year Ended 31st March'24

(₹ in Lakhs)

Name of the Bank	Aggregate Working Capital Sanctioned	Amount Outstanding at Quarter End	Quarter Ended	Amount Disclosed as per Quarterly Statement*			Amount as per Books of accounts*	Difference	Reason For Variance
				Gross Amount	Margin @ 20%	Net Amount			
Consortium of Banks led by State Bank of India	26,000.00	23,025.75	June 30, 2023	36,189.34	7,237.87	28,951.47	45,403.22	-16,451.75	Note -1
	26,000.00	23,927.68	September 30, 2023	34,666.79	6,933.36	27,733.43	48,342.83	-20,609.40	
	26,000.00	23,148.81	December 31, 2023	32,927.50	6,585.50	26,342.00	46,346.02	-20,004.02	
	26,000.00	24,610.86	March 31, 2024	33,078.23	6,615.65	26,462.58	44,933.19	-18,470.61	

For the Year Ended 31st March'23

(₹ in Lakhs)

Name of the Bank	Aggregate Working Capital Sanctioned	Amount Outstanding at Quarter End	Quarter Ended	Amount Disclosed as per Quarterly Statement*			Amount as per Books of accounts*	Difference	Reason For Variance
				Gross Amount	Margin @ 20%	Net Amount			
Consortium of Banks led by State Bank of India	26,000.00	19,164.23	June 30, 2022	35,992.84	7,198.57	28,794.27	40,309.61	-11,515.34	Note -1
	26,000.00	23,862.26	September 30, 2022	34,293.56	6,858.71	27,434.85	40,061.39	-12,626.54	
	26,000.00	23,013.77	December 31, 2022	32,882.20	6,576.44	26,305.76	39,921.45	-13,615.69	
	26,000.00	23,626.34	March 31, 2023	32,702.50	6,540.50	26,162.00	41,832.70	-15,670.70	

Note 1 - Statements are being filed with bankers on the basis of provisional figures since the final figures are made available at a later date. The Company has not claimed Drawing Power(DP) on certain current assets. DP is calculated as per norms of lenders. The terms of the sanction letter limit the amount of advances & Stock of Stores & Spares that can be considered in the Drawing Power calculation for the monthly stock statements.

*This is computed by considering the following :

Inventory+Trade Receivables+Advances Given to suppliers-Trade Payables-Advances Received from customers

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

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Particulars	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2023
(a) Current ratio	1.28	1.27	0.50%
(b) Debt-equity ratio	1.35	1.41	-4.39%
(C) Debt service coverage ratio ³	1.05	0.51	105.72%
(d) Return on equity ratio ¹	0.02	-	-
(e) Inventory turnover ratio	5.90	5.38	9.65%
(f) Trade receivables turnover ratio	39.61	35.35	12.05%
(g) Trade payables turnover ratio	12.03	9.81	22.65%
(h) Net capital turnover ratio	18.05	16.44	9.80%
(i) Net profit ratio ²	2.48	-	-
(j) Return on capital employed ⁴	0.08	0.01	696.55%
(k) Return on investment ⁴	-	0.01	-141.48%

(i) Increase in profit has lead to increase in ROE.

(2) Increase primarily on account of Increase in Net Profit mainly attributable to higher operating profit during the current year.

(3) Increased primarily on account of Increase in operating profit.

(4) Impact of Market Dynamics.

Description of ratios:

- (a) Current ratio: Current Assets / Current Liabilities
- (b) Debt-equity ratio: Total Debt / Shareholder's Equity
- (c) Debt service coverage ratio: Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc./Debt service = Interest & Lease Payments + Long term Principal Repayments
- (d) Return on equity ratio: Net Profits after taxes/Average Shareholder's Equity
- (e) Inventory turnover ratio : Sales of Products/ Average inventory =(Opening + Closing balance / 2)
- (f) Trade receivables turnover ratio : Revenue from Operations/Average trade debtors = (Opening + Closing balance / 2)
- (g) Trade payables turnover ratio: Purchase of Raw Materials & Stores/Average Trade Payables
- (h) Net capital turnover ratio: Revenue from Operations/Working Capital =Working capital shall be calculated as current assets minus current liabilities.
- (i) Net profit ratio :Earning before interest and taxes/Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- (j) Return on capital employed : Earning before interest and taxes./Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- (k) Return on investment: Net gain/(loss) on sale/fair value changes of Equity Instruments/Average Investments

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

47 Other Statutory Information

- (a) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and intangible assets during the year.
- (b) The Company has not given any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties.
- (c) The Company has not used borrowings for purpose other than specified purpose of the borrowing.
- (d) The Company does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act,1988 and rules made thereunder.
- (e) The Company does not have transactions with any struck off companies during the current year and previous year.
- (f) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year.
- (g) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (i) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (j) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Notes to the Standalone Financial Statements

for the year ended 31st March,2024

48 Miscellaneous Expenses include de-recognition of financial asset (Trade Receivables/Advances/Loan) on account of irrecoverability, the contractual right to receive cash flow from the financial asset of ₹ 31.82 Lakhs (Previous Year - ₹ 17.88 Lakhs).

49 The previous year's figures have been regrouped, rearranged and reclassified to conform to the classification of the current year, wherever necessary.

50 The financial statements have been approved in Audit Committee meeting held on 29.05.2024 and approved by the Board of Directors on the same day.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

For and behalf of Board of Directors

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Independent Auditor's Report

To the Members of **MSP Steel & Power Limited**

Report on the Audit of Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of MSP Steel & Power Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and joint venture (refer Note 45 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2024, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of Group, its associate and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Descriptions of Key Audit Matter	How we addressed the matter in our audit
Revenue Recognition (Refer Note No. 1 and 21 and of the Consolidated Financial Statement): Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the group performs its obligation to its customers and the amount of revenue can	Our audit procedures included the following: Assessed the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. <ul style="list-style-type: none"> Evaluated the integrity of the general information and technology control environment and testing

Descriptions of Key Audit Matter	How we addressed the matter in our audit
<p>be measured reliably and recovery of the consideration is probable.</p> <p>The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p>	<p>the operating effectiveness of key IT application controls over recognition of revenue.</p> <ul style="list-style-type: none"> Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. Tested the effectiveness of such controls over revenue cut off at year-end. On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer contracts and shipping documents. Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end. Compared revenue with historical trends and where appropriate, conducted further enquiries and testing. <p>Assessed disclosures in consolidated financial statements in respect of revenue, as specified in Ind AS 115.</p>
<p>Inventory Management</p> <p>(Refer Note No. 1 and 8 and of the Consolidated Financial Statement):</p> <p>The Holding Company deals with various types of bulk material such as Coal, Iron Ore, sponge iron & pellets etc. The total inventory of such materials amounts to Rs 30,028.36 lakhs as on March 31, 2024.</p> <p>The measurement of these inventories involved certain estimations/assumption and also involved volumetric measurements. Measurement of some of these inventories also involved consideration of handling loss, moisture loss/gain, spillage etc. and thus required assistance of technical expertise. We determined this to be key audit matter to our audit due to quantum of the amount, estimation involved.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained the understanding of the management with regards to internal financial controls relating to Inventory management. The Holding Company deployed an independent agency for verification of Bulk Materials. We have reviewed the internal verification process by the management for certain inventory items. We have reviewed the report submitted by the external agency and obtained reasons/explanation for differences and also confirmed the adjustment made by the Company. <p>Based on the above procedures performed, we concluded that measurement and valuation of the inventory at year end is appropriate.</p>

Information Other than the consolidated financial statements and auditor's report thereon

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group including its associate and joint venture 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group including its joint venture are responsible for assessing the ability of the Group including its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group including its joint venture or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group including its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditors' Responsibility for the Audit of the consolidated financial statements

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to 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 Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

13. 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.

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

Other Matters

15. We did not audit the financial statements / financial information of subsidiaries whose financial statements / financial information reflect total assets of Rs. 256.52 lakhs and net assets of Rs. 107.27 lakhs as at March 31, 2024, total revenue from operations is Nil, total comprehensive loss of Rs. 4.13 Lakh (comprising loss and other comprehensive income) as considered in the statement. Further, we did not audit the financial statements of the Joint Venture whose share of total comprehensive Income considered for consolidation is Rs.1.09 Lakhs. This financial statements/ financial information has been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated annual financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and the Joint Venture are based solely on the report of other auditors.
16. Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.
18. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate Financial Statements of subsidiaries and its joint venture incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and joint venture incorporated in India, none of the directors of the Group and joint venture incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure B.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Group and its joint venture incorporated in India have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

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

- i. The consolidated financial statements disclose the impact of pending litigations as on March 31, 2024, on the consolidated financial position of the Group and its joint venture – Refer Notes 36 to the consolidated financial statements.
- ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2024.
- iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. (a) The respective Managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under paragraph 19 (h) (iv)(a) & (b) above, contain any material misstatement.
- v. The Holding Company incorporated in India has not declared any dividend in previous financial year which has been paid in current year. Further, no dividend has been declared/proposed for the current year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of recording audit trail and it is capable of creating an edit log for each change made in books. The same has operated throughout the year for all relevant transactions recorded in the respective software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E/E300272

Sandeep Agrawal

Partner

Membership Number: 058553

UDIN: 24058553BKAEQF5816

Place: Kolkata

Date: May 29, 2024

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of MSP Steel & Power Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024.

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone/consolidated financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

SL	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditor's report	Paragraph number in the respective CARO reports
1	MSP Steel & Power Limited	L27109WB1968PLC027399	Holding Company	29 th May,2024	Clause 3 (ii)(b), 3(vii)
2	Madanpur South Coal Company Limited	U10300CT2006PLC020006	Joint Venture	01 st May,2024	Clause 3 (vii) (b), clause (xix)

For **S K Agrawal and Co Chartered Accountants LLP**
 Chartered Accountants
 Firm Registration Number: 306033E/E300272

Sandeep Agrawal
 Partner

Membership Number: 058553
 UDIN: 24058553BKAEQF5816

Place: Kolkata
 Date: May 29, 2024

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 18 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report on Consolidated Financial Statements to the Members of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

Opinion

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of MSP Steel & Power Limited (hereinafter referred to as "the Holding Company") and its subsidiaries and its joint venture which are companies incorporated in India, as of that date.
2. In our opinion, the Holding Company, its subsidiaries and its joint venture which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

Management's responsibility for internal financial controls

1. The respective Board of Directors of the Holding Company, its subsidiaries and its associate and joint venture to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

2. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both 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 internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
3. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

4. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of internal financial control over financial reporting with reference to consolidated financial statements

5. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent limitation of internal financial control over financial reporting with reference to consolidated financial statements

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

Other Matters

7. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to subsidiaries and joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **S K Agrawal and Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 306033E/E300272

Sandeep Agrawal

Partner

Membership Number: 058553

UDIN: 24058553BKAEQF5816

Place: Kolkata

Date: May 29, 2024

Consolidated Balance Sheet

as at 31st March, 2024

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
A	ASSETS			
1	Non-Current Assets			
(a)	Property, Plant and Equipment	3(a)	81,646.01	82,605.12
(b)	Capital Work in Progress	3(b)	59.18	59.18
(c)	Intangible Assets	3(c)	-	11.98
(d)	Goodwill		1.00	1.00
(e)	Investment in Associate & Joint Venture	4	437.89	436.79
(f)	Financial Assets			
(i)	Investments	4	4,035.88	4,115.82
(ii)	Loans	5(a)	16.66	17.86
(iii)	Other Financial Assets	5(b)	1,299.08	1,186.62
(g)	Deferred Tax Assets (Net)	6	2,645.76	3,326.23
			90,141.46	91,760.60
2	Current Assets			
(a)	Inventories	8	49,047.32	48,387.78
(b)	Financial Assets			
(i)	Trade Receivables	9	7,131.39	7,625.85
(ii)	Cash and Cash Equivalents	10	2,610.53	1,098.98
(iii)	Bank Balances other than (ii) above	11	2,109.94	1,617.40
(iv)	Other Financial Assets	5(b)	34.26	55.53
(c)	Current Tax Assets	7	993.37	670.81
(d)	Other Current Assets	12	11,705.31	13,575.94
			73,632.12	73,032.29
	TOTAL ASSETS		1,63,773.58	1,64,792.89
B	EQUITY AND LIABILITIES			
1	EQUITY			
(a)	Equity Share Capital	13	38,541.50	38,541.50
(b)	Other Equity	14	19,692.13	18,452.63
(c)	Non-Controlling Interest	14	29.23	30.46
			58,262.86	57,024.59
2	LIABILITIES			
Non-Current Liabilities				
(a)	Financial Liabilities			
(i)	Borrowings	15	47,734.73	50,207.73
(b)	Provisions	16	150.78	135.06
			47,885.51	50,342.79
3	Current Liabilities			
(a)	Financial Liabilities			
(i)	Borrowings	17	30,412.86	29,924.34
(ii)	Trade Payables			
(a)	Total outstanding dues to micro enterprises and small enterprises	18	909.70	574.78
(b)	Total outstanding dues to Creditors other than micro enterprises and small enterprises	18	20,743.40	20,074.52
(iii)	Other Financial Liabilities	19	1,568.83	1,347.27
(b)	Other Current Liabilities	20	3,753.85	5,210.27
(c)	Provisions	16	236.57	294.33
			57,625.21	57,425.51
	TOTAL EQUITY AND LIABILITIES		1,63,773.58	1,64,792.89
	Material Accounting Policies	1		
	Key accounting estimates and judgements	2		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**
Firm Registration No.-306033E/E300272
Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal
Partner
Membership No.-058553
Kolkata, 29th May, 2024

Suresh Kumar Agrawal
Chairman
DIN - 00587623

Saket Agrawal
Managing Director
DIN - 00129209

Kamal Kumar Jain
Chief Financial Officer

Shreya Kar
Company Secretary
Mem No. A41041

Statement of Consolidated Profit & Loss

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Notes	2023-24	2022-23
INCOME			
Revenue from Operations	21	2,87,385.40	2,55,039.96
Other Income	22	3,840.91	1,161.28
Total (i)		2,91,226.31	2,56,201.24
EXPENSES			
Cost of Materials Consumed	23	2,33,192.41	2,03,793.19
Purchase of Stock in Trade	24	221.87	2,712.69
Changes in Inventories of Finished Goods, By-products, Work in Progress and Stock in Trade	25	(3,914.43)	2,524.83
Employee Benefits Expenses	26	6,651.44	5,779.71
Finance Costs	27	8,768.18	8,198.87
Depreciation and Amortization Expenses	28	5,541.05	5,408.00
Other Expenses	29	38,697.53	33,846.99
Total (ii)		2,89,158.05	2,62,264.28
Profit/(Loss) before Exceptional Item and Tax (i-ii)		2,068.26	(6,063.04)
Share of Profit/Loss of Associates and Joint Venture (Net of Tax)	30	1.09	314.34
Exceptional Items		-	30.75
Profit/(Loss) Before Tax		2,068.35	(5,717.95)
Tax Expenses	31		
Current Tax		-	-
Deferred Tax		634.71	(658.22)
Total Tax Expenses		634.71	(658.22)
Profit/(Loss) for the Year		1,434.64	(5,059.73)
Other Comprehensive Income	32		
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(78.78)	(1.35)
(b) Equity Instruments through Other Comprehensive Income		(71.87)	223.27
(c) Share in joint venture/associate		-	(9.51)
(d) Income taxes on items that will not be reclassified to profit or loss		(45.75)	4.32
Other Comprehensive Income (Net of Tax)		(196.40)	216.73
Total Comprehensive Income for the year		1,238.24	(4,843.00)
Profit for the Period attributable to			
(i) Owners of the Company		1,435.87	(5,058.01)
(ii) Non Controlling Interest		(1.23)	(1.71)
Other Comprehensive Income for the Period attributable to			
(i) Owners of the Company		(196.40)	216.73
(ii) Non Controlling Interest		-	-
Total Comprehensive Income for the Period attributable to			
(i) Owners of the Company		1,239.47	(4,841.28)
(ii) Non Controlling Interest		(1.23)	(1.71)
Earnings per equity share of face value of ₹ 10/- each	33		
Basic (₹)		0.37	(1.31)
Diluted (₹)		0.34	(1.21)
Material Accounting Policies	1		
Key accounting estimates and judgements	2		

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**
Firm Registration No.-306033E/E300272
Chartered Accountants

For and behalf of Board of Directors

Suresh Kumar Agrawal
Chairman
DIN - 00587623

Saket Agrawal
Managing Director
DIN - 00129209

Sandeep Agrawal
Partner
Membership No.-058553
Kolkata, 29th May, 2024

Kamal Kumar Jain
Chief Financial Officer

Shreya Kar
Company Secretary
Mem No. A41041

Consolidated Cash Flow Statement

for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
1. Net Profit/(Loss) before taxes	2,069.35	(5,717.95)
2. Adjustments for:		
Depreciation & Amortization Expense	5,541.05	5,408.00
Interest Income	(180.51)	(160.97)
Interest Expense on Borrowings	3,561.81	3,788.89
Interest Expense on OCD	4,019.92	3,162.18
Other Finance Expenses	1,147.29	1,100.91
Provision for Doubtful debts/ Advances/ Deposits and Claims	-	220.14
Impairment Loss in Investment in Associate	-	(30.75)
Profit on Sale of Investments	(4.80)	-
Unrealised (Profit)/Loss on Foreign Exchange Fluctuations	(147.80)	175.49
Share of (Profit)/Loss of Associate & Joint Venture	(1.09)	(314.34)
3. Operating Profit before working capital changes (1+2)	16,005.22	7,631.60
4. Movement in Working Capital for:		
(Increase)/ Decrease in Trade & Other Receivables	2,361.30	7,152.12
(Increase)/ Decrease in Inventories	(659.54)	(2,632.12)
Increase/ (Decrease) in Trade & Other Payables	(224.67)	(3,331.70)
Increase/ (Decrease) in Provisions	(120.83)	17.40
5. Cash generated from Operations (4+3)	17,361.48	8,837.30
6. Less: Direct Taxes Paid	322.56	257.40
7. Net Cash generated from Operating Activities (5-6)	17,038.92	8,579.90
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment including CWIP	(4,569.96)	(5,373.47)
Sale of property, plant & equipment	12.87	-
Fixed Deposit given in form of Margin Money	(599.98)	3,273.16
Interest received	201.78	181.58
Net cash generated/(used) in investing activities	(4,955.29)	(1,918.73)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long Term Borrowings Received/ (paid) (Net)	(6,877.71)	(5,039.27)
Short Term Borrowings Received/ (paid) (Net)	834.52	(564.33)
Interest Paid	(3,381.60)	(3,690.19)
Other Finance Expenses Paid	(1,147.29)	(1,100.91)
Unclaimed Dividend transferred to Investor Education Protection Fund of India	-	1.17
Net cash used in financing activities	(10,572.08)	(10,393.53)
D. Net (Decrease) in Cash and Cash equivalents (A+B+C)	1,511.55	(3,732.36)
E1 Cash and Cash equivalents as at the beginning of the year	1,098.98	4,831.34
E2 Cash and Cash equivalents as at the end of the year	2,610.53	1,098.98
Net Change in Cash and Cash equivalents (E2-E1)	1,511.55	(3,732.36)

Consolidated Cash Flow Statement

for the year ended 31st March, 2024

Note

a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS -7) – Statement of Cash Flow

b) Components of Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Cash on hand	19.91	20.51
With Scheduled Banks on Current Account	2,590.41	756.26
Positive Balances in Cash Credit Account	0.21	322.21
	2,610.53	1,098.98

c) Reconciliation for total liability arising from financing activities :

Head	31 st March 2023	Cash Flow	Non Cash Changes		Interest Paid*	31 st March 2024
			Inter Head Movement	Interest Expenses*		
Long Term Borrowings**	55,480.73	(6,877.71)	(133.02)	5,253.42	1,061.69	52,661.72
Other Financial Liabilities ***	124.76	-	141.42	1,147.29	1,147.29	266.18
Borrowings - Current	24,651.34	834.52	(8.40)	2,328.31	2,319.91	25,485.86
	80,256.83	(6,043.19)	(0.00)	8,729.02	4,528.89	78,413.76

Head	31 st March 2022	Cash Flow	Non Cash Changes		Interest Paid*	31 st March 2023
			Inter Head Movement	Interest Expenses*		
Long Term Borrowings**	57,357.56	(5,039.27)	(84.80)	4,846.74	1,599.49	55,480.73
Other Financial Liabilities	26.33	-	98.43	1,100.91	1,100.91	124.76
Borrowings - Current	25,215.67	(564.33)	(13.63)	2,104.33	2,090.70	24,651.34
	82,599.56	(5,603.60)	-	8,051.98	4,791.10	80,256.83

* Interest expenses/paid also include the Other Financial Charges expenses/paid during the year.

** Long term borrowings include current maturities

*** Other financial Liabilities include ₹ 1.24 Lakhs due for MSME Interest grouped under Trade Payables in financials.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

For and behalf of Board of Directors

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2024	As at 31 st March, 2023
As at the beginning of the year	38,541.50	38,541.50
Changes in equity share capital during the year	-	-
As at the end of the year	38,541.50	38,541.50

B. Other Equity

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income	Total	Non Controlling Interest	Total
	Securities Premium	Retained Earnings						
Balance as at 1st April, 2022	15,055.59	(23,732.73)	3,112.99	28,506.44	351.62	23,293.91	32.17	23,326.08
Profit/ (Loss) for the year	-	(5,058.01)		-	-	(5,058.01)	(1.71)	(5,059.72)
Remeasurement benefits Gain/ (Loss) (Net of tax)	-	(1.35)		-		(1.35)		(1.35)
Fair Value of Equity Instrument through FVOCI					227.59	227.59		227.59
Share in Joint Venture/ Associate					(9.51)	(9.51)		(9.51)
Balance as at 31st March, 2023	15,055.59	(28,792.09)	3,112.99	28,506.44	569.70	18,452.63	30.46	18,483.09
Balance as at 1st April, 2023	15,055.59	(28,792.09)	3,112.99	28,506.44	569.70	18,452.63	30.46	18,483.09
Profit/ (Loss) for the year		1,435.87				1,435.87	(1.23)	1,434.64
Remeasurement benefits Gain/ (Loss) (Net of tax)		(124.50)				(124.50)		(124.50)
Share in joint venture/ associate		-				-	-	-
Fair Value of Equity Instrument through FVOCI					(71.87)	(71.87)		(71.87)
Balance as at 31st March, 2024	15,055.59	(27,480.72)	3,112.99	28,506.44	497.83	19,692.13	29.23	19,721.36

Material Accounting Policies 1

Key accounting estimates and judgements 2

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**

Firm Registration No.-306033E/E300272

Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal

Partner

Membership No.-058553

Kolkata, 29th May, 2024

Suresh Kumar Agrawal

Chairman

DIN - 00587623

Saket Agrawal

Managing Director

DIN - 00129209

Kamal Kumar Jain

Chief Financial Officer

Shreya Kar

Company Secretary

Mem No. A41041

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

COMPANY BACKGROUND

The MSP Steel & Power Limited is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the Company is located at Kolkata, West Bengal, India.

The Group is principally engaged in manufacture and sale of iron and steel products and generation of power.

1. MATERIAL ACCOUNTING POLICIES

1.1. Basis of Preparation of financial statements

1.1.1. Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and includes the Group's share of profit in its associate and joint venture as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiaries and ceases when the Company loses control of the subsidiaries. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

1.1.2. Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
 - Derecognizes the assets (including goodwill) and liabilities of the subsidiary
 - Derecognizes the carrying amount of any non-controlling interests
 - Derecognizes the cumulative translation differences recorded in equity
 - Recognizes the fair value of the consideration received
 - Recognizes the fair value of any investment retained
 - Recognizes any surplus or deficit in profit or loss
 - Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.
- f) Investments are accounted for using Equity Method in accordance with IND AS 28 (Investment in Associate & Joint Venture).

1.1.3. Compliance with Ind-AS

The Financial Statements comply in all material aspects with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 (The Act) [Companies (Indian Accounting Standards) Rules 2015] and Other relevant provisions of the Act.

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

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

after April 1, 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

- Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109 – Financial Instruments, Ind AS 107 – Financial Instruments: Disclosures, Ind AS 104 – Insurance Contracts and Ind AS 116 – Leases.
- Conceptual framework for financial reporting under Ind AS issued by ICAI
- Ind AS 103: Business combination
- Amendment to Ind AS 103- Business combination, Ind AS 116 – COVID-19 related rent concessions, Ind AS 105 – Non-current Assets held for sale and Discontinued Operations, Ind AS 16 – Property Plant and Equipment and Ind AS 28 – Investments in Associates and Joint Ventures

These amendments had no impact on the financial statements of the Company.

1.1.4. Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.5. Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;

- defined benefit plans - plan assets measured as per actuarial valuation.

1.2. Summary of Significant Accounting Policies

A. Property, Plant and Equipment

Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	Years
Factory Building	30 years
Other Building	10 to 60 years
Plant & Machinery	5 to 40 years
Vehicle	8 to 10 years
Office Equipment	5 to 6 years
Furniture & Fixtures	10 years

Freehold land is not depreciated.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

B. Intangible assets

Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Amortization:

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Particulars	No. of Years
Computer Software	5

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

De-recognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

C. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the

CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

D. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods/services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods/services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods/services sold is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products: Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. No element of financing is deemed present as the sales are generally

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

made with a credit term which is consistent with market practice. The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

Sale of power/ services: Revenue from sale of power/services is recognized when the services are provided to the customer based on approved tariff rates/agreement established by the respective regulatory authorities/agreement with parties.

Interest and dividends: Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payments established.

E. Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the acquisition/construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

F. Inventories

Raw materials, work-in-progress, finished goods, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost

and net realizable value is made on an item-by item basis. By-product is valued at net realizable value.

In determining the cost of raw materials, stock-in-trade, stores, spares, components, consumables and other inventories weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, an appropriate share of fixed and variable production overheads as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

G. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

G.1. Financial Assets

- Initial recognition and measurement:** The Group recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

- **Subsequent measurement:** For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:

- The Group's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- Financial assets measured at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measured at fair value through profit or loss (FVTPL)

- **Financial assets measured at amortized cost:** A financial asset is measured at the amortized cost if both the following conditions are met:

- The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

- **Financial assets measured at FVTOCI:** A financial asset is measured at FVTOCI if both of the following conditions are met:

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

- The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group, through an irrevocable election at initial recognition, has measured investments in equity instruments at FVTOCI. This equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Group recognizes dividend income from such instruments in the Statement of Profit and Loss.

On De-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from the equity to Statement of Profit and Loss. However, the Group may transfer such cumulative gain or loss into retained earnings within equity.

- **Financial assets measured at FVTPL:** A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

- **De-recognition:** A financial asset (or, where applicable, a part of a financial

asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On De-recognition of a financial asset [except as mentioned in above for financial assets measured at FVTOCI] difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

- **Impairment of financial assets:** The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:
 - Trade receivables
 - Financial assets measured at amortized cost (other than trade receivables and lease receivables)
 - Financial assets measured at fair value through other comprehensive income (FVTOCI)- in case of debt interments

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, considering the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

G.2. Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

G.2.1. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

G.2.2. Financial liabilities

Initial recognition and measurement: The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

Subsequent measurement: All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

De-recognition: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference between the carrying

amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

H. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

I. Derivatives

The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

J. Investments, associates and joint ventures

Investments associates and joint ventures are carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognized, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss

K. Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

L. Foreign Currency Translation

Initial Recognition: On initial recognition, transactions in foreign currencies entered into by the Group are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during

the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date: Foreign currency monetary items of the Group are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

M. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax: Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax: Deferred tax is recognized on taxable temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credit (MAT Credit Entitlement), Unabsorbed depreciation and

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

any unused tax losses. Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax: Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

N. Provisions, Contingent Liabilities & Contingent Assets

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

O. Cash and Cash Equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances and demand deposits with banks where the original maturity is three months or less.

P. Employee Benefits

Short Term Employee Benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which related service is rendered.

Compensated absences: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation at the present value of the obligation as on the reporting date.

Post-Employment Benefits:

Provident Fund scheme: Retirement benefit in the form of Provident Fund is a defined contribution scheme and the Group recognizes contribution payable to the provident fund scheme as expenditure when an employee renders the related service. The Group has no obligations other than the contribution payable to the respective funds.

Gratuity scheme: Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Recognition and measurement of Defined Benefit plans: The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of

the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses and the return on the plan assets, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. Re-measurement of defined benefit plans is recognised as a part of retained earnings in statement of changes in equity as per Division II of Schedule III of the Companies Act, 2013.

Q. Leases

The Group as lessor

Lease income from operating leases where the Group is a lessor is recognised in the statement of profit and loss on a straight- line basis over the lease term.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Group has the right to direct the use of the asset.

The Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Group expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group uses an incremental borrowing rate specific to the Group, term and currency of the contract. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Group is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as

an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets:

The Group has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

R. Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

S. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

T. Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

U. Earnings Per Share

Basic earning per share is calculated 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. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders are divided with the weighted average number of shares outstanding during the year after adjustment for the effects of all dilutive potential equity shares.

V. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

W. Non-Current Assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale

within one year from the date of classification. On-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

X. Rounding Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III, unless otherwise stated.

2. KEY ACCOUNTING ESTIMATES & JUDGEMENTS:

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Group disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

2.1. Significant judgments when applying Ind AS 115

vRevenue is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product, transfer of significant risks and

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

rewards to the customer, acceptance of delivery by the customer, etc.

2.2. Useful lives of depreciable

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of plant and equipment.

2.3. Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty.

2.4. Impairment of financial assets

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.5. Impairment of Investment in Associate/ Joint Venture

The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the respective company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.6. Income taxes/Deferred Tax

The Group calculates income tax expense based on reported income. Deferred income tax expense

is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

2.7. Recoverability of advances/ receivables

At each balance sheet date, based on discussions with the respective counterparties and internal assessment of their credit worthiness, the management assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgement based on financial position of the counterparties, market information and other relevant factor.

2.8. Contingent assets and liabilities, uncertain assets and liabilities

Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether Group will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

3(a). Property, Plant & Equipment

Particulars	Land	Factory Building	Other Building	Plant & Machinery	Furniture & Fixtures	Vehicle	Office Equipments	Total
GROSS CARRYING VALUE								
Balance as at 01st April, 2022	943.18	11,790.60	7,681.07	1,01,186.71	73.08	206.27	97.10	1,19,390.02
Additions	34.87	-	-	5,318.07	-	3.58	16.95	5,373.47
Deductions	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	978.05	11,790.60	7,681.07	1,06,504.78	73.08	209.85	114.05	1,27,351.48
Additions	-	-	-	4,579.40	-	-	12.78	4,592.18
Deductions	20.31	-	-	-	-	38.54	-	58.85
Balance as at 31st March, 2024	957.74	11,790.60	7,681.07	1,11,084.18	73.08	171.31	126.83	1,31,884.81
ACCUMULATED DEPRECIATION								
Balance as at 01st April, 2022	-	3,008.52	1,989.94	34,145.79	44.22	110.25	53.06	39,351.78
Depreciation expense	-	429.79	284.28	4,649.73	4.05	14.19	12.53	5,394.57
Deductions	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	-	3,438.31	2,274.22	38,795.52	48.27	124.44	65.59	44,746.35
Depreciation expense	-	429.79	284.28	4,782.78	3.30	13.58	15.34	5,529.07
Deductions	-	-	-	-	-	36.61	-	36.61
Balance as at 31st March, 2024	-	3,868.10	2,558.50	43,578.30	51.57	101.41	80.93	50,238.81
NET CARRYING VALUE								
Balance as at 31st March, 2023	978.05	8,352.29	5,406.85	67,709.26	24.81	85.41	48.46	82,605.12
Balance as at 31st March, 2024	957.74	7,922.50	5,122.57	67,505.90	21.51	69.90	45.90	81,646.01

3(b) Capital Work in Progress

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
As at the beginning of the year	59.18	118.29
Movement during the year	-	(59.11)
As at the end of the year	59.18	59.18

Capital Work in Progress (CWIP) ageing schedule

Particulars	Amount in CWIP for a period of				As at 31 st March 2024
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	59.18
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

3(b) Capital Work in Progress (Contd.)

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				As at 31 st March 2023
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
Projects in progress		-	-	59.18	59.18
Projects temporarily suspended		-	-	-	-

There are no projects as on March 31, 2024 where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

3(c) Intangible Assets

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
As at the beginning of the year	11.98	25.40
Capitalized during the year	-	-
Amortized during the year	11.98	13.42
As at the end of the year	-	11.98

Intangible assets consists mainly of Computer Software.

4. Non Current Investments

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of Shares / Units	(₹ in Lakhs)	Number of Shares / Units	(₹ in Lakhs)
(a) Unquoted Investments in Equity Instruments				
(i) In Joint Venture (at cost)				
Madanpur South Coal Company Limited (₹ 10 each)	94,427	131.96	94,427	131.96
Accumulated Share of Profit & OCI		305.93		304.83
		437.89		436.79
Investment in Joint Venture		437.89		436.79
(ii) In Others (at fair value through OCI)				
Jaik Leasing Pvt Ltd Limited (Rs.10 each)	22,117	45.26	-	-
MSP Properties (I) Limited (₹ 10 each)	-	-	7,500	6.66
MSP Sponge Iron Limited (₹ 10 each)	3,13,000	331.20	3,13,000	324.75
"Catapult Fincap Limited (₹ 10 each) formerly known as MSP Power Limited"	8,000	0.92	8,000	0.89
MA Hire Purchase Private Limited	38,34,623	3,643.28	38,34,623	3,760.23
		4,020.66		4,092.53
(b) Quoted Investments in Equity Instruments (at fair value through OCI)				
Howrah Gases Ltd (₹ 10 each)	93,700	15.00	93,700	15.00
Ashirwad Steel and Industries Limited (₹ 10 each)	-	-	2,500	0.47
Nageshwar Investment Limited (₹ 10 each)	11,000	0.22	11,000	0.22

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

4. Non Current Investments (Contd.)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Number of Shares / Units	(₹ in Lakhs)	Number of Shares / Units	(₹ in Lakhs)
Indian Overseas Bank (₹ 10 each)	–	–	2,900	0.65
IDFC First Bank Limited (₹ 10 each)	–	–	5,201	2.86
IDFC Limited (₹ 10 each)	–	–	5,201	4.09
	15.22		23.29	
Other Non Current Investments (a(iii)+b)	4,035.88		4,115.82	
TOTAL (a+b)	4,473.77		4,552.61	
Aggregate amount of Quoted Investments - at Cost	19.24		19.24	
Aggregate amount of the Quoted Investments - at	15.22		23.29	
Market value		4,458.55		4,529.32
Aggregate value of unquoted Investments				

5(a). Loans

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Unsecured, Considered Good Unless Otherwise Stated				
Loans to Body Corporate*	16.66	17.86	–	–
TOTAL	16.66	17.86	–	–

* for business purpose only.

5(b). Other Financial Assets

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Unsecured, Considered Good Unless Otherwise Stated				
Deposits with Banks (Refer Note No. 11)	540.25	432.82	–	–
(A)	540.25	432.82	–	–
Others				
Interest Accrued on Fixed Deposits and Others	–	–	34.26	55.53
Security Deposit	758.83	753.80	–	–
(B)	758.83	753.80	34.26	55.53
TOTAL (A+B)	1,299.08	1,186.62	34.26	55.53

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

6. Deferred Tax Assets (NET)

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Deferred Tax Liabilities :		
Tax impact on difference between book value of depreciable assets and written down value for tax purpose	(15,382.18)	(15,297.49)
Others	41.71	(28.62)
Deferred Tax Assets :		
Tax impact of expenses charged to the statement of profit & Loss but allowable under tax law deferred	1,083.99	1,970.64
Tax impact of unabsorbed loss / Allowances	14,253.53	14,032.99
MAT Credit Entitlement	2,648.71	2,648.71
2,645.76	3,326.23	

Movement in deferred tax asset and deferred tax liabilities during the year ended 31st March, 2023 and 31st March, 2024

Particulars	(₹ in Lakhs)			
	As at 1 st April, 2022	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March, 2023
Deferred Income Tax Liabilities				
Property, Plant & Equipment's	(15,084.69)	(212.79)	-	(15,297.48)
Others	(24.72)	-	(3.90)	(28.62)
(15,109.41)	(212.79)	(3.90)		(15,326.10)
Deferred Income Tax Assets				
Allowance for credit loss	1,771.24	68.68	-	1,839.92
Expense allowed under Income Tax on payment basis	94.47	28.01	8.22	130.70
Unabsorbed depreciation	13,258.68	774.32	-	14,033.00
Mat Credit Entitlement	2,648.71	-	-	2,648.71
17,773.10	871.01	8.22		18,652.33
Deferred Tax Assets (Net)	2,663.69	658.22	4.32	3,326.23

Particulars	(₹ in Lakhs)			
	As at 1 st April, 2023	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March, 2024
Deferred Income Tax Liabilities				
Property, Plant & Equipment's & Intangible Assets	(15,297.48)	(84.69)	-	(15,382.17)
Others	(28.62)		70.33	41.71
(15,326.10)	(84.69)	70.33		(15,340.46)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

6. Deferred Tax Assets (NET) (Contd.)

(₹ in Lakhs)

Particulars	As at 1 st April, 2023	Recognized in Statement of Profit & Loss	Recognized in OCI	As at 31 st March, 2024
Deferred Income Tax Assets				
Allowance for credit loss	1,839.92	(959.43)	-	880.49
Expense allowed under Income Tax on payment basis	130.70	188.87	(116.08)	203.48
Unabsorbed depreciation	14,033.00	220.54	-	14,253.54
Mat Credit Entitlement	2,648.71	-	-	2,648.71
Deferred Tax Assets (Net)	18,652.33	(550.02)	(116.08)	17,986.22
	3,326.23	(634.71)	(45.75)	2,645.76

MAT credit entitlement is the amount which can be recovered and set off in subsequent years as per the provisions of the Income Tax Act, 1961. The MAT credit entitlement recognised will expire as follows:

As at 31st March 2024

(₹ in Lakhs)

For Fin Year	Amount	Year of expiry*
2010-11	918.18	Financial Year 2025-26
2011-12	472.72	Financial Year 2026-27
2012-13	592.68	Financial Year 2027-28
2013-14	665.13	Financial Year 2028-29
Total	2,648.71	

As a matter of prudence, unused losses and unused deferred tax credits for which no deferred tax assets have been recognised in the balance sheet.

(₹ in Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Amount	Expiry Date *	Amount	Expiry Date *
Unused Tax Credits (MAT credit not recognized)	660.33	FY 2024-25	1,235.37	FY 2023-24 to FY 2024-25
	660.33		1,235.37	

* Expiry date has been stated based on the last day of the financial year for which MAT credit is available for use as per prevailing tax laws as at the reporting date.

7. Income Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Advance Income Tax & TDS (Net)	310.21	536.86
Income Tax Receivable	683.16	133.95
	993.37	670.81

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

7. Income Tax Assets (Net) (Contd.)

Note -

The Group is subject to tax assessments and ongoing proceedings, which are pending before various Tax Appellate Authorities. Management periodically evaluates the positions taken in tax returns with respect to above matters, including unresolved tax disputes, which involves interpretation of applicable tax regulations and judicial precedents. Current tax liability and tax asset balances are presented, after recognising as appropriate, provision for taxes payable and contingencies basis management's assessment of outcome of such ongoing proceedings and amounts that may become payable to the tax authorities. Considering the nature of such estimates and uncertainties involved, the amount of such provisions may change upon final resolution of the matters with tax authorities.

8. Inventories (Valued at Lower of Cost and Net Realizable Value)

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
Raw Materials and Components [includes in transit ₹ 3237.72 lakhs (31 st March 2023 : ₹ 1445.16 lakhs)]	30,028.36	31,467.21
Work - in - Progress	4,896.16	2,275.84
Finished Goods [includes in transit ₹ 124.79 lakhs (31 st March 2023 : ₹ 58.86 lakhs)]	8,265.43	8,012.62
Stores and Spares	4,205.40	6,021.44
By Products (at Net Realisable Value)	1,651.97	573.04
Stock in Trade	-	37.63
Total	49,047.32	48,387.78

8.1 For Lien/ charge details against inventory, Refer Note 44.

9. Trade Receivables

(₹ in Lakhs)

Particulars	Current	
	As at 31 st March 2024	As at 31 st March 2023
At amortised cost		
- Trade Receivables considered good - Secured	-	-
- Trade Receivables considered good - Unsecured	7,131.39	7,625.85
- Trade Receivables which have significant increase in credit risk	2,124.22	2,148.10
- Trade Receivables - credit impaired	-	-
Less: Loss Allowance	(2,124.22)	(2,148.10)
Total trade receivables	7,131.39	7,625.85
- Receivables from related parties (Refer Note 41)	55.60	55.60
- Others	7,075.79	7,570.25
Total trade receivables	7,131.39	7,625.85

9.1 For Lien/ charge details against trade receivables, Refer Note 44

9.2 No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

9. Trade Receivables (Contd.)

9.3 Trade Receivable Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2024					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed- Considered good	6,994.58	13.82	-	-	-	7,008.40
Undisputed- Which have significant increase in credit risk	-	-	6.23	8.19	2,232.79	2,247.21
Undisputed- Credit impaired	-	-	-	-	-	-
Gross Total	6,994.58	13.82	6.23	8.19	2,232.79	9,255.61
Less: Loss allowance						(2,124.22)
Total						7,131.39

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on March 31, 2023					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	Total
Undisputed- Considered good	7,434.31	35.49	-	-	-	7,469.80
Undisputed- Which have significant increase in credit risk	-	-	8.95	15.16	2,280.04	2,304.15
Undisputed- Credit impaired	-	-	-	-	-	-
Gross Total	7,434.31	35.49	8.95	15.16	2,280.04	9,773.95
Less: Loss allowance						(2,148.10)
Total						7,625.85

9.4 Set out below is the movement in the allowance for expected credit losses of trade receivables

(₹ in Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Opening Balance	2,148.10	2,133.98
Provision/(Reversal) for Expected Credit Loss	(23.88)	14.12
Closing Balance	2,124.22	2,148.10

9.5 Breakup of Impairment Loss Allowance

(₹ in Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
- Trade Receivables considered good – Unsecured	2,124.22	2,148.10
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables – credit impaired	-	-
Total	2,124.22	2,148.10

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

9. Trade Receivables (Contd.)

9.6 No element of financing is deemed present as the sales are generally made with a credit term which is consistent with market practice.

9.7 There are no "unbilled" and "disputed" trade receivables, hence the same are not disclosed in the ageing schedule.

9.8 In determining allowance for credit losses of trade receivables, the Group has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

10. Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Balance with Banks:		
On Current Accounts	2,590.41	756.26
Positive Balance in Cash Credit Account	0.21	322.21
Cash and Cash Equivalents		
Cash on Hand	19.91	20.51
	2,610.53	1,098.98

11. Bank Balances other than Cash and Cash equivalents

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Fixed Deposits - Earmarked for LC & BG	540.25	432.82	2,109.94	1,617.40
	540.25	432.82	2,109.94	1,617.40
Amount Disclosed under Other Non-Current Financial Assets (Refer Note No. 5(b))	(540.25)	(432.82)	-	-
Unpaid Dividend Accounts	-	-	-	-
	-	-	2,109.94	1,617.40

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

12. Other Current Assets

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Advances to Suppliers other than capital advances		
Considered Good	10,530.60	11,509.41
Considered Doubtful	697.86	3,749.12
	11,228.46	15,258.53
Less: Allowances for doubtful advances	697.86	3,749.12
(A)	10,530.60	11,509.41
Other Advances		
Prepaid Expenses	157.40	155.31
Advances to Related Parties	-	1,098.37
Balances with Statutory/Government Authorities	1,006.54	803.89
Others (incl advance to employees)	10.78	8.96
(B)	1,174.71	2,066.53
TOTAL (A+B)	11,705.31	13,575.94

13. Equity Share Capital

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Authorised Share Capital		
800,000,000 (31.03.2023 - 800,000,000) equity shares of ₹ 10/- each	80,000.00	80,000.00
100,000,000 (31.03.2023 - 100,000,000) preference shares of ₹ 10/- each	10,000.00	10,000.00
Issued, Subscribed and Fully Paid-up Share Capital		
38,54,15,000 (31.03.2023. - 38,54,15,000) equity shares of ₹ 10/- each	38,541.50	38,541.50
Total	38,541.50	38,541.50

13.1 Reconciliation of number of Shares

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Equity Shares:				
Balance at the beginning of the year	38,54,15,000	38,541.50	38,54,15,000	38,541.50
Balance at the end of the year	38,54,15,000	38,541.50	38,54,15,000	38,541.50

13.2 Rights, Preferences and restrictions attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

13. Equity Share Capital (Contd.)

13.3 Shareholders holding more than 5% share in the holding company are as follows:

(₹ in Lakhs)

Particulars	As at 31 st March 2024		As at 31 st March 2023	
	No of shares	% of shares	No of shares	% of shares
State Bank of India	—	—	4,63,34,367	12.02%
Mod Commodeal Pvt. Limited	3,14,99,538	8.17%	3,14,99,538	8.17%
Adhunik Gases Limited	2,34,79,000	6.09%	2,34,79,000	6.09%
Sikhar Commotrade Pvt. Limited	2,89,84,056	7.52%	2,89,84,056	7.52%
Shringar Mercentile Pvt. Limited	—	—	2,82,11,200	7.32%
Swagat Trexim Pvt Ltd	3,39,16,849	8.80%	—	—
MSP Sponge Iron Limited	2,47,36,500	6.42%	2,47,36,500	6.42%

13.4 Details of Promoters holding in the holding company

(₹ in Lakhs)

SL	Promoter name	As at 31 st March 2024		As at 31 st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Suresh Kumar Agrawal	25,120	0.01	25,120	0.01	—
2	Puran Mal Agrawal	29,000	0.01	29,000	0.01	—
3	Pranay Agrawal	3,06,000	0.08	3,06,000	0.08	—
4	Nisha Agrawal	3,36,500	0.09	3,36,500	0.09	—
5	Kiran Agrawal	4,86,000	0.13	4,86,000	0.13	—
6	Saket Agrawal	2,04,000	0.05	2,04,000	0.05	—
7	Manish Agrawal	3,09,000	0.08	3,09,000	0.08	—
8	Puran Mal Agrawal	1,86,620	0.05	1,86,620	0.05	—
9	Suresh Kumar Agrawal	1,41,000	0.04	1,41,000	0.04	—
10	Dexo Trading Pvt. Ltd.	15,75,000	0.41	15,75,000	0.41	—
11	High Time Holdings Pvt. Ltd.	30,25,000	0.78	30,25,000	0.78	—
12	Ilex Private Limited	41,15,000	1.07	41,15,000	1.07	—
13	Jagran Vyapaar Pvt. Ltd.	19,50,000	0.51	19,50,000	0.51	—
14	Larigo Investment Private Limited	1,20,50,000	3.13	1,20,50,000	3.13	—
15	B S Confin Pvt. Ltd.	35,30,000	0.92	35,30,000	0.92	—
16	Emerald Tradelink Pvt. Ltd.	25,00,000	0.65	25,00,000	0.65	—
17	Gilbart Merchants Pvt. Ltd. ¹	85,04,426	2.21	85,04,426	2.21	—
18	K. C. Texofine Pvt. Ltd. ²	87,15,000	2.26	87,15,000	2.26	—
19	Raj Securities Ltd. ¹	52,00,000	1.35	52,00,000	1.35	—
20	Adhunik Gases Ltd. ¹	2,34,79,000	6.09	2,34,79,000	6.09	—
21	Aa Ess Tradelinks Pvt. Ltd. ²	26,50,000	0.69	26,50,000	0.69	—
22	Msp Rolling Mills Pvt. Ltd. ²	44,60,000	1.16	44,60,000	1.16	—

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

13. Equity Share Capital (Contd.)

(₹ in Lakhs)

SL	Promoter name	As at 31 st March 2024		As at 31 st March 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
23	Msp Sponge Iron Limited	2,47,36,500	6.42	2,47,36,500	6.42	-
24	Msp Infotech Pvt. Ltd.	1,25,29,760	3.25	1,25,29,760	3.25	-
25	Rajnath Vyapaar Private Limited	25,00,000	0.65	25,00,000	0.65	-
26	Sikhar Commodity Trade Pvt. Ltd.	2,89,84,056	7.52	2,89,84,056	7.52	-
27	Panorama Commercial Private Limited ³	10,00,000	0.26	10,00,000	0.26	-
28	Shree Vinay Finvest Pvt. Ltd.	68,78,543	1.78	68,78,543	1.78	-

1 Merged with Jagran Vyapaar Pvt Ltd (Transferee Company) **

2 Merged with MA Hire Purchase Pvt Ltd (Transferee Company) **

3 Merged with Shree Vinay Finvest Pvt Ltd (Transferee Company) **

** These companies have been merged with the transferee companies but the share transfer is not complete since the same are pledged with banks. We are in the process of transferring the shares in the name of the merged entity and they will be done once the shares are released by the banks.

13.5 Additional Disclosure in the respect of Equity Share

- (a) The Company does not have any Holding Company or Ultimate Holding Company.
- (b) No ordinary shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.
- (c) The holding Company has not bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

14. Other Equity

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income Equity Instruments through Other Comprehensive Income	Total	Non Controlling Interest	Total
	Securities Premium	Retained Earnings						
Balance as at 1st April, 2022	15,055.59	(23,732.73)	3,112.99	28,506.44	351.62	23,293.91	32.17	23,326.08
Profit/ (Loss) for the year	-	(5,058.01)		-	-	(5,058.01)	(1.71)	(5,059.72)
Remeasurement benefits Gain/ (Loss) (Net of tax)	-	(1.35)		-		(1.35)		(1.35)
Fair Value of Equity Instrument through FVOCI					227.59	227.59		227.59
Share in Joint Venture/ Associate					(9.51)	(9.51)		(9.51)
Balance as at 31st March, 2023	15,055.59	(28,792.09)	3,112.99	28,506.44	569.70	18,452.63	30.46	18,483.09

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

14. Other Equity (Contd.)

Particulars	Reserve & Surplus		6% Redeemable Preference Shares	Equity Component of Optionally Convertible Debenture	Items of Other Comprehensive Income	Total	Non Controlling Interest	Total
	Securities Premium	Retained Earnings			Equity Instruments through Other Comprehensive Income			
Balance as at 1st April, 2023	15,055.59	(28,792.09)	3,112.99	28,506.44	569.70	18,452.63	30.46	18,483.09
Profit/ (Loss) for the year		1,435.87				1,435.87	(1.23)	1,434.64
Remeasurement benefits Gain/(Loss) (Net of tax)		(124.50)				(124.50)		(124.50)
Share in joint venture/ associate		-				-		-
Fair Value of Equity Instrument through FVOCI					(71.87)	(71.87)		(71.87)
Balance as at 31st March, 2024	15,055.59	(27,480.72)	3,112.99	28,506.44	497.83	19,692.13	29.23	19,721.36

Description of nature and purpose of each reserve

Securities Premium

This reserve is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

Retained Earnings

It comprises of accumulated profit/(losses) of the company.

6% Redeemable Preference Shares

The CCPS was converted to 6% Redeemable Preference Shares under section 48 of the Companies Act, 2013 and the Article 10 of the Articles of Association of the Company which is ratified in writing by holders of atleast 3/4th of nominal value of issued Preference Shares. The company will convert the same into CCPS and subsequently into equity in future.

Equity Component of Optionally Convertible Debenture

This contains the equity portion of the Optionally convertible debentures issued in lieu of long term borrowings as per the terms of the restructuring scheme.

Equity Instruments through Other Comprehensive Income

The Group has elected to recognise changes in the fair value of quoted investments in equity securities in OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

15. Long Term Borrowings

(₹ in Lakhs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
a. Secured		
i. Term loans		
From Banks		
Indian rupee loan (Gross)	7,164.20	12,587.12
Less : Current Maturities of Long Term Borrowings (Note 17)	4,927.00	5,273.00
	2,237.20	7,314.12
ii. Liability Component of Optionally Convertible Debenture		
Optionally Convertible Debenture (Note 15.1 (b))	30,121.51	29,501.59
	30,121.51	29,501.59
b. Unsecured		
Inter-Corporate Deposits	2,026.22	146.22
Loans from related parties	554.00	450.00
Interest free loan from promoter/promoter group companies (Note 15.1 (c))	12,795.80	12,795.80
	15,376.02	13392.02
Total (a+b)	47,734.73	50207.73
The above amount includes:		
Secured borrowings	32,358.71	36,815.71
Unsecured borrowings	15,376.02	13392.02
Net Amount	47,734.73	50207.73

15.1 Terms of Repayments

- Term Loan facilities from banks are secured by first pari-passu charge on the entire fixed assets (both present & future) and Second pari-passu charge on the entire current assets (both present & future) of the company's manufacturing facilities situated at Jamgaon, Raigarh in the state of Chhattisgarh. Personal guarantee of Puranmal Agrawal, Suresh Kumar Agrawal, Manish Agrawal and Saket Agrawal is given alongwith corporate guarantee of M/s Ilex Pvt Ltd. Corporate Guarantee is restricted to the extent of shares pledged of the promoter group companies. The interest rate on the domestic long term borrowings are in the range of 2.90% above 6 months MCLR. The Term Loan facilitated from the bank is repayable in 30 Quarterly Instalments from December 2017. Last instalment due in September 2025.
- The Company has issued 451,970,554 nos. of OCDs amounting to ₹ 451,97.05 lakhs during the year 2017-18. The OCDs shall have moratorium period of 7 years and shall be repayable in 36 structured quarterly instalments starting from December, 2024 and maturing on September 2033. The OCDs shall carry a coupon rate of 0.01% pa. payable quarterly till maturity. The OCDs will be converted to Equity at the option of the Debenture holders. OCDs may be redeemed alongwith a redemption premium. The redemption premium will be calculated with YTM @ 2.00% p.a. compounded quarterly. As per valuation report and relevant IND AS, PV of OCD as on the OCD issuing date i.e. March 21, 2018 is ₹ 166.90 crore which has been treated as financial liability and balance of ₹ 285.07 crore has been treated as other equity. Subsequently interest expenses (the unwinding of the discount) have been booked at market rate (11.5%) to unwind the liability component to the extent of value of OCD.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

15. Long Term Borrowings (Contd.)

- c) Pursuant to the scheme for restructuring of loan as approved by the Overseeing Committee (OC) of Reserve Bank of India and agreement dated 24.01.2018, the Promoter / Promoters' group has transferred 12,85,78,044 equity shares, at ₹ 10/- per equity share of ₹ 12857.80 lakhs, to JLF lenders, as a part payment of unsustainable debt and the same is treated as unsecured loan and shall always be subordinated to the existing senior debt of the borrower.
- d) Rate of Interest for the loan from the related parties is maximum being 10%.

16. Provisions

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
Provision for employee benefits				
For Gratuity (Refer Note No. 40)	-	-	227.48	154.79
For Leave Benefits	150.78	133.78	9.09	6.85
Others*	-	1.28	-	132.69
Total	150.78	135.06	236.57	294.33

* The Other Provision includes purchase obligations of Renewable Energy Certificates (E-Cert).

16.1 Movement of Other Provision

(₹ in Lakhs)

Particulars	Non - Current		Current	
	As at 31 st March 2024	As at 31 st March 2023	As at 31 st March 2024	As at 31 st March 2023
As at the beginning of the year				
1.28	1.28	132.69	132.81	
Created during the year	-	-	-	-
Reversal during the year	1.28	-	132.69	0.12
As at the end of the year	-	1.28	-	132.69

17. Short-Term Borrowings

(₹ in Lakhs)

Particulars	As at	
	31 st March 2024	31 st March 2023
Secured		
Rupee Loan from Banks		
Cash Credit Facility	17,469.45	23,776.34
Current Maturities of Long Term Borrowings	4,927.00	5,273.00
Foreign Currency Loan from Banks		
Working Capital Loan	7,141.41	-
Unsecured		
From Body Corporates		
Inter Corporate Deposits	875.00	875.00
	30,412.86	29,924.34
The above amount includes		
Secured Borrowings	29,537.86	29,049.34
Unsecured Borrowings	875.00	875.00

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

17. Short-Term Borrowings (Contd.)

17.1 Terms and conditions attached to Short term borrowings from banks

(a) Cash Credit facilities from banks are secured by first pari-passu charge on the entire current assets (both present & future) and Second pari-passu charge on the entire fixed assets (both present & future) of the company's manufacturing facilities situated at Jamgaon, Raigarh in the state of Chhattisgarh. Personal guarantee of Puranmal Agrawal, Suresh Kumar Agrawal, Manish Agrawal and Saket Agrawal is given alongwith corporate guarantee of M/s Ilex Pvt Ltd. Corporate Guarantee is restricted to the extent of shares pledged of the promoter group companies. The rate of interest on cash credit is 2.90% above 1 year MCLR.

(b) The Intercorporate loans carry an interest rate of 9.85% p.a (Previous Year - Nil)

17.2 Refer Note No. 45 in the respect of Quarterly Return/Statement filed with the bank in lieu of sanctioned working capital facilities.

18. Trade Payables

(₹ in Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
Total outstanding dues of creditors		
Total outstanding dues to micro enterprises and small enterprises	909.70	574.78
Total outstanding dues to Creditors other than micro enterprises and small enterprises	20,743.40	20,074.52
	21,653.10	20,649.30

18.1 Trade Payables include acceptances and arrangements where operational suppliers of goods and services are paid by banks while the company continues to recognise the liability till settlement with the banks which are normally effected within a period of 90 or 180 days amounting to ₹ 7602.70 lakhs (previous year ₹ 8867.75 lakhs)

18.2 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015.

(₹ in Lakhs)

Particulars	As at	As at
	31 st March 2024	31 st March 2023
i The principal amount remaining unpaid to any supplier as at the end of each accounting year;	906.89	573.54
ii The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	2.81	1.24
iii The amount of interest paid by the buyer under MSMED Act, 2006	Nil	Nil
iv The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	Nil	Nil
v The amount of interest accrued and remaining unpaid at the end of accounting year; and	2.81	1.24
vi The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	2.81	1.24

The above information has been determined to the extent such parties have been identified on the basis of information available with the company.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

18. Trade Payables (Contd.)

18.3 Trade Payables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding as on March 31, 2024 from due date of payment				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues - MSME	904.71	–	–	–	904.71
Undisputed dues - Others	18,699.87	204.76	26.19	214.10	19,144.92
Disputed dues - MSME	–	3.86	0.09	1.04	4.99
Disputed dues - Others	–	–	–	–	–
Total	19,604.58	208.62	26.28	215.14	20,054.62
Unbilled Dues					1,598.49
Grand Total					21,653.10

(₹ in Lakhs)

Particulars	Outstanding as on March 31, 2023 from due date of payment				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues - MSME	567.12	–	–	–	567.12
Undisputed dues - Others	18,084.11	67.45	44.87	188.98	18,385.41
Disputed dues - MSME	–	6.62	1.04	–	7.66
Disputed dues - Others	–	–	–	979.03	979.03
Total	18,651.23	74.07	45.91	1,168.01	19,939.22
Unbilled Dues					1,689.10
Grand Total					21,628.32

19 Other Financial Liabilities

(₹ in Lakhs)

Particulars	Current	
	As at 31 st March 2024	As at 31 st March 2023
Retention / Security Deposit	628.64	580.53
Interest accrued and due on borrowings	264.94	123.52
Unpaid Dividend	–	–
Employee Liabilities	512.34	480.31
Other Payables on capital purchases	162.91	162.91
	1,568.83	1,347.27

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

20 Other Current Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 st March 2024	As at 31 st March 2023
Contract Liabilities (includes Deferred Performance Obligations)	3,482.36	4,998.01
Others (including statutory dues payable)	271.49	212.26
	3,753.85	5,210.27

21 Revenue from Operations

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
(a) Sale of Products		
Finished Goods	2,83,651.83	2,48,904.56
Power	1,573.37	1,537.54
Traded Goods	241.52	3,001.92
(b) Sale of Services		
Job Work Service	-	4.08
Total (a+b)	2,85,466.72	2,53,448.10
(c) Other Operating Revenue		
Sale of scrap and By-products	1,918.68	1591.86
Total (c)	1,918.68	1591.86
Total (a+b+c)	2,87,385.40	255039.96

The Company is engaged in the manufacturing of Iron & Steel Products and generates revenue from the sale of Iron & Steel products and the same is only the reportable segment of the Company.

(₹ in Lakhs)

Disaggregation of Revenue	(₹ in Lakhs)	
	2023-24	2022-23
Revenue as per Geography		
Domestic	2,83,999.38	2,53,395.99
Exports	1,467.34	52.11
Total	2,85,466.72	2,53,448.10
Revenue as per Major Products		
Pellet	61,179.85	55,008.31
Sponge Iron	25,793.95	12,430.19
MS Billets	19,248.11	11,356.37
TMT Bars (incl Structural Products)	1,77,429.92	1,70,109.69
Power	1,573.37	1,537.54
Job Work Service	-	4.08
Others	241.52	3,001.92
Total	2,85,466.72	2,53,448.10

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

21 Revenue from Operations (Contd.)

	(₹ in Lakhs)	
	2023-24	2022-23
Disaggregation of Revenue		
Timing of Revenue		
At a point in time	2,85,466.72	2,53,448.10
Over time	-	-
Total	2,85,466.72	2,53,448.10
Sales Channel		
Direct to Customers	78,637.37	79,145.52
Through Intermediaries	2,06,829.35	1,74,302.58
Total	2,85,466.72	2,53,448.10

Contract balances

The company discloses receivables from contracts with customer separately in the balance sheet. To comply with the other disclosures requirements for contract assets and contract liabilities, the following information is disclosed below.

	(₹ in Lakhs)	
	2023-24	2022-23
Particulars		
Trade Receivables	7,131.39	7,625.85
Contract Assets	-	-
Contract Liabilities (includes Deferred Performance Obligations)	3,482.36	4,998.01
Other Information		
a) Transaction price allocated to the remaining performance obligations	Nil	Nil
b) The amount of revenue recognised in the current year that was included in the opening contract liability balance	4,979.93	1,043.11
c) The amount of revenue recognised in the current year from performance obligations satisfied fully or partially in previous years	Nil	Nil
d) Performance obligations- The Company satisfy the performance obligation on shipment/delivery.	Nil	Nil
Significant payment terms		
Financing Component	Nil	Nil

	(₹ in Lakhs)	
	2023-24	2022-23
Reconciliation of Revenue from operations with contract price		
Contract Price	2,86,090.02	2,53,711.11
Less :		
Sales Returns	327.12	168.23
Trade & Cash Discount	296.18	94.78
Deferred Performance Obligations	-	-
Total	2,85,466.72	2,53,448.10

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

22. Other Income

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
(a) Interest income on		
Loans, Fixed Deposits, etc.	185.57	164.78
(b) Other Non-Operating Income		
Dividend income on Investments	330.56	-
Profit on sale of Investments	4.80	-
Extinguishment of Financial Liability	-	-
Reversal of provision on Expected Credit Loss	3,075.13	915.19
Exchange Differences	147.80	-
Others	97.05	81.31
Total	3,840.91	1,161.28

23. Cost of Materials Consumed

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Inventory at the beginning of the period	31,467.21	28,332.53
Add: Purchases	2,31,753.56	2,06,927.87
Less: Inventory at the end of the period	30,028.36	31,467.21
Total	2,33,192.41	2,03,793.19

24. Purchase of Stock in Trade

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Coal	221.87	1,844.41
Manganese Ore	-	868.28
Total	221.87	2,712.69

25. Changes in Inventories of Finished Goods, By-products and Work-in Progress

Particulars	(₹ in Lakhs)	
Inventories at the end of the period	2023-24	2022-23
Finished Goods	8,265.43	8,012.62
Work-in-Progress	4,896.16	2,275.84
By-Products	1,651.97	573.04
Stock in Trade	-	37.63
Total	14,813.56	10,899.13

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

25. Changes in Inventories of Finished Goods, By-products and Work-in Progress (Contd.)

(₹ in Lakhs)

Particulars	2023-24	2022-23
Inventories at the beginning of the period		
Finished Goods	8,012.62	9,168.92
Work-in-Progress	2,275.84	3,526.30
By-Products	573.04	683.87
Stock in Trade	37.63	44.87
	10,899.13	13,423.96
(Increase)/Decrease in Inventories		
Finished Goods	(252.81)	1,156.30
Work-in-Progress	(2,620.32)	1,250.46
By-Products	(1,078.93)	110.83
Stock in Trade	37.63	7.24
Total	(3,914.43)	2,524.83

26. Employee Benefits Expenses

(₹ in Lakhs)

Particulars	2023-24	2022-23
Salaries, Wages and Bonus	6,125.20	5,304.73
Contribution to Provident and Other Funds	259.82	241.55
Gratuity (refer note 40)	122.78	112.20
Staff Welfare Expenses	143.64	121.23
Total	6,651.44	5,779.71

27. Finance Costs

(₹ in Lakhs)

Particulars	2023-24	2022-23
Interest Expenses		
- On Loans	3,561.81	3,788.89
- On OCD *	4,019.92	3,162.18
Exchange Differences regarded as an adjustment to borrowing cost	39.15	146.88
Other Finance Charges	1,147.29	1,100.92
Total	8,768.18	8,198.87

* It represents the unwinding of the discount on OCD (refer Note 15(b))

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

28. Depreciation and amortization expense

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Depreciation of assets	5,529.07	5,394.58
Amortization of assets	11.98	13.42
Total	5,541.05	5,408.00

29. Other Expenses

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Consumption of Stores and Spares	13,069.41	12,396.03
Power and Fuel	5,658.79	3,606.10
Rent	157.00	75.84
Rates and Taxes	325.73	328.69
Insurance	276.24	190.89
Repairs and Maintenance		
Plant and Machinery	2,482.95	1,925.69
Buildings	621.25	789.57
Others	253.47	329.77
Other Manufacturing Expenses	11,052.01	9,211.48
Advertising and Other Sales Promotion Expenses	1,915.67	1,273.76
Freight Outward	350.49	490.75
Legal and Professional Charges	729.32	978.04
Payment to Auditors	11.25	10.39
Exchange Differences (Net)	-	175.49
Provision for Expected Credit Loss on Trade Receivable & Advances	-	220.14
Corporate Social Responsibility	236.47	194.38
Miscellaneous Expenses (refer note no. 43)	1,557.48	1,649.98
Total	38,697.53	33,846.99

30. Share of Profit/Loss of Joint Venture*

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Share of Profit/(Loss) of Joint Venture (Including Other Comprehensive Income)	1.09	304.83
Total	1.09	304.83

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

31. Income Tax

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
A. The major components of income taxes expense for the year are as under:		
i Income tax expense recognised in the statement of profit and loss	-	-
Current Tax for the year		
Current Tax	-	-
Deferred Tax	634.71	(658.22)
Income tax expense recognised in the statement of profit and loss	634.71	(658.22)
ii Income tax expense recognised in OCI		
Deferred Tax :		
Deferred tax expenses on remeasurement benefit of defined benefit plans and equity instruments measured through OCI	45.75	(4.32)
Income tax expense recognised in OCI	45.75	(4.32)
Total Tax (i+ii)	680.46	(662.54)
B. Reconciliation of tax expense and the accounting profit for the year is as under		
Profit before tax	2,069.35	(5,717.95)
Income tax expense	645.64	(1,784.00)
Deferred tax assets reversal on unabsorbed depreciation	220.50	(774.37)
Effects of permanent disallowances	(223.78)	1,027.27
Utilisation of carried forward loss	-	867.05
Other Items	34.34	1.51
Tax expenses as per Statement of Profit and Loss & OCI	680.46	(662.54)

C. The Taxation Laws (Amendment) Ordinance 2019 was promulgated on September 20, 2019. The Ordinance amends the income tax Act 1961 and the Finance Act 2019. The Ordinance provides domestic companies with a non-reversible option to opt for lower tax rates, provided they do not claim certain deductions. The company has evaluated the same and decided to continue with the existing tax structure until utilisation of accumulated minimum alternate tax (MAT) , tax incentives and other deductions available to the Company.

32. Other Comprehensive Income

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Remeasurements of the defined benefit plans	(78.78)	(1.35)
Equity Instruments through Other Comprehensive Income	(71.87)	223.27
Less : Income tax on the above	(45.75)	4.32
Share in OCI of associates & joint venture (Refer Note 48 & 49)	-	(9.51)
Total	(196.40)	216.73

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

33. Earnings Per Share (EPS)

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Earnings Per Share has been computed as under:		
Profit/ (Loss) After Tax	1,435.87	(5,058.01)
Net Profit for Calculation of Basic and Diluted EPS	1,435.87	(5,058.01)
Weighted average number of equity shares in calculating Basic EPS	No.	No.
Weighted average number of equity shares in calculating Diluted EPS *	38,54,15,000	38,54,15,000
Face value of share (₹)	41,65,35,000	41,65,35,000
Earnings Per Share	10	10
Basic (₹)	0.37	(1.31)
Diluted (₹)	0.34	(1.21)

*The potential ordinary shares, on account of conversion of OCD, are anti-dilutive and are therefore excluded from the weighted average number of equity shares for the purpose of diluted earnings per share.

34 Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 (G) to the financial statements.

i) Financial assets & liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023;

Particulars	31 st March 2024			31 st March 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Equity instruments*	-	4,035.88	-	-	4,115.82	-
Trade receivables	-	-	7,131.39	-	-	7,625.85
Cash and cash equivalents	-	-	2,610.53	-	-	1,098.98
Other Bank Balances	-	-	2,109.94	-	-	1,617.40
Other Financial Assets	-	-	1,333.34	-	-	1,242.15
Loans	-	-	16.66	-	-	17.86
Total	-	4,035.88	13,201.86	-	4,115.82	11,602.24
Financial liabilities						
Borrowing	-	-	78,147.59	-	-	80,132.07
Trade Payable	-	-	21,653.10	-	-	20,649.30
Other financial Liabilities	-	-	1,568.83	-	-	1,347.27
Total	-	-	1,01,369.52	-	-	1,02,128.64

*Equity investments exclude investments made in associates & joint venture (net of impairment loss) of ₹ 437.89 Lakhs (previous year - ₹ 436.79 Lakhs) which have been measured at cost.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

34 Financial instruments (Contd.)

ii) Fair values hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Group's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(₹ in Lakhs)

31 st March, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at FVOCI					
Quoted Equity instruments		15.22			15.22
Unquoted Equity instruments		-	-	4,020.66	4,020.66
Total financial assets		15.22	-	4,020.66	4,035.88
Financial liabilities					
Financial instruments at FVTPL					
Derivative liability			-		-
Total financial liabilities		-	-	-	-

There were no movement between level 1 and level 2 during the period.

Financial Instruments measured at fair value

(₹ in Lakhs)

31 st March, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at FVOCI					
Quoted Equity instruments		23.29			23.29
Unquoted Equity instruments		-	-	4,092.53	4,092.53
Derivative asset			-		-
Total financial assets		23.29	-	4,092.53	4,115.82
Financial liabilities					
Financial instruments at FVTPL					
Derivative liability		-	-	-	-
Total financial liabilities		-	-	-	-

There were no movement between level 1 and level 2 during the period.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

34 Financial instruments (Contd.)

iii) Valuation process and technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) Quoted investments (Equity Shares)- Market Value
- (b) Unquoted Investments - As determined by Independent Valuer. The equity shares of ₹ 4020.66 Lakhs (31.03.2023 - ₹ 4092.53 lakhs) are not listed. Fair value estimates of equity investments are included in level-3 and are based on information relating to value of investee Group's net assets and DCF methods.
- (c) The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

iv) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. Refer (iii)(b) above for the valuation techniques adopted.

(₹ in Lakhs)

Particulars	Significant Unobservable Input	Fair Value as at		Sensitivity of the input to fair value		
		31 st March 2024	31 st March 2023	+ (0.5%)	332.86	366.50
Equity instruments	DCF	331.20	324.75	- (0.5%)	329.54	362.85
	NAV	3,689.46	3767.78	+ (0.5%)	3,707.91	3786.62
				- (0.5%)	3,671.01	3748.94

v) The following table presents the changes in level 3 items for the periods ended 31st March 2024 and 31st March 2023:

(₹ in Lakhs)

Particulars	Amount
As at 31st March 2022	287.98
Gains/ (losses) recognised in other comprehensive income	44.32
Change in nature of holding from associate to non-associate	3,760.23
As at 31st March 2023	4,092.53
Gains/ (losses) recognised in other comprehensive income	(71.87)
As at 31st March 2024	4,020.66

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies

A) Capital Management

i) Risk Management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Group monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Group.

Net debt implies total borrowings of the Group comprises all components attributable to the owners of the Group.

The following table summarises the Net Debt, Equity and Ratio thereof.

Particulars	31 st March 2024	31 st March 2023
Total Borrowings (including current maturities)	78,147.59	80,132.07
Less: Cash & Cash Equivalents & Other bank balances	4,720.47	2,695.87
Net Debts (A)	73,427.12	77,436.20
Total equity (refer note 14 & 15)	58,233.63	56,994.13
Total equity & Net Debt (B)	1,31,660.75	1,34,430.33
Net debt to capital employed Ratio (A/B)	0.56	0.58

No changes were made in the objective policies & process for expenditure as on 31st March 2024 & 31st March 2023

ii) Dividends

The Group has not declared/paid any dividend for FY 2022-23 and no dividend has been proposed for FY 2023-24.

B) Financial Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, the Group has risk management policies as described below :-

i) Credit risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Group is exposed to credit risk for receivables, cash and cash equivalents. None of the financial instruments of the Group result in material concentration of credit risks.

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and reconciled. Based on historical trend, industry practice and the business environment in which the Group operates, an impairment analysis is performed at each reporting date for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies (Contd.)

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

(₹ in Lakhs)

Contractual maturities of financial liabilities as at 31 st March 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	30,412.86	2,464.00	6,049.00	39,221.73	78,147.59
Trade payable	21,653.10	-	-	-	21,653.10
Other payables	1,568.83	-	-	-	1,568.83
Derivatives Derivative Liability	-	-	-	-	-
Total	53,634.79	2,464.00	6,049.00	39,221.73	1,01,369.52

(₹ in Lakhs)

Contractual maturities of financial liabilities as at 31 st March 2023	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives					
Borrowings	29,924.34	4,927.00	2,464.00	42,816.72	80,132.06
Trade payable	20,649.30	-	-	-	20,649.30
Other payables	1,347.27	-	-	-	1,347.27
Derivatives Derivative Liability	-				-
Total	51,920.91	4,927.00	2,464.00	42,816.72	1,02,128.63

(₹ in Lakhs)

Probable Interest Payout on Term Loans	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As on 31-03-2024	485.31	242.70	-	-	728.01
As on 31-03-2023	1,031.30	545.92	90.98	-	1,668.20

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies (Contd.)

c) Market Risk

i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency.

Foreign currency risk exposure - Unhedged

The Group's exposure to foreign currency risk at the end of the reporting period expressed are as follows:
(₹ in Lakhs)

Currency	Liabilities	
	31 st March 2024	31 st March 2023
USD	7,141.40	-

Nominal value of forward contracts & option contracts that hedge monetary liabilities in foreign currencies, and for which no hedge accounting is applied, are recognised in the Statement of profit and loss. The value of such contracts amount to ₹ Nil (previous year - ₹ 2532.00 lakhs)

Sensitivity

The sensitivity of profit or loss after tax and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in Lakhs)

Particulars	31 st March 2024	31 st March 2023
USD sensitivity		
INR/USD- increase by 10%	(491.33)	-
INR/USD- decrease by 10%	491.33	-

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing and long term borrowings with floating interest rates. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Below is the overall exposure of the Group to interest rate risk:

(₹ in Lakhs)

Particulars	31 st March 2024	31 st March 2023
Variable rate borrowing	31,775.06	36,363.46
Fixed rate borrowing	3,455.22	1,471.21
Total borrowings	35,230.28	37,834.67

Note : The above borrowings do not include the interest free loans and Liability component of Optionally Convertible Debentures. (Refer Note No. 15 & 17)

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

35. Financial Risk Management, Objectives and Policies (Contd.)

Sensitivity

Below is the sensitivity of profit or loss after tax and equity to changes in interest rates.

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Interest sensitivity		
Interest rates increases by 100 basis points	218.61	250.18
Interest rates decrease by 100 basis points	(218.61)	(250.18)

D) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Group is exposed to price risk arising mainly from investments in equity instruments recognised at FVTOCI.

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Fair Value of Quoted Equity Investments	15.22	23.29
Total Equity Investments	15.22	23.29

Sensitivity

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Increase in market price by 5%	0.52	0.80
Decrease in market price by 5%	(0.52)	(0.80)

36. Contingent Liabilities and Commitments

Contingent Liabilities and commitments to the extent not provided for in respect of:

a)

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Excise & Service Tax Matters under dispute/ appeal	1,260.55	2,980.61
Income Tax Matters under dispute/ appeal (net of payment)	268.86	135.89
Right to Recompense available with the lenders *	27,801.00	27,801.00

* Right to recompense available to the lenders amounting to ₹ 27,801 Lakhs (previous year - ₹ 27,801 lakhs) as per Article VIII of the Master Restructuring Agreement dated March 23, 2015 read with the Master Framework Agreement and Share Transfer & Confirmation Agreement ("Master agreement") executed on January 24, 2018 for the entire tenure of loans.

b) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

c) Capital Commitment

The capital commitment for the company amounts to ₹ nil (₹ nil)

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

37. The Group did not raise any term loans or no new working capital borrowings have been sanctioned the current year. Accordingly, the Group does not have any charges to be filed or satisfaction which is yet to be registered with ROC beyond the statutory period.

38. The Group has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.

39. Short Term Leases

The Company's leasing arrangements are in respect of short term leases for office premises at Kolkata and Raigarh, depot at Raipur & guest houses at Raigarh, Gairkata, Keonjhar, Vishakapatnam and Kolkata. These leasing arrangements which are cancellable for period of 11 months and the Company has elected not to recognize ROU assets and lease liabilities for short term leases and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company has paid lease rentals of ₹ 157.00 Lakhs (Previous year - ₹ 75.84 Lakhs). The company also hires equipments on short term contract basis, and has paid ₹ 1,942.30 Lakhs (Previous year - ₹ 1,854.18 Lakhs) against it during the year which is included in other miscellaneous expenses.

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits'

Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under :

(₹ in Lakhs)

SI.No.	Particulars	31 st March 2024	31 st March 2023
a)	Provident Fund & ESI	259.82	241.55

Defined Benefit Plan:

a) Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

b) Risk Exposure

Defined benefit plans expose the Company to the following types of actuarial risks:

Interest rate risk: The Plan exposes the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements.)

Liquidity Risk: This is the risk that the company is not able to meet the short term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

Salary Escalation Risk: The Present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participant in future. Deviation in the rate of increase of salary in future for plan participant from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' (Contd.)

Demographic risk: The company has used certain mortality and attrition assumption in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirement of the Payment of Gratuity Act, 1972 (as amended from time to time). There is risk of change in regulation requiring higher gratuity payout (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular Investment.

c) Reconciliation Of the net defined benefit (Assets/Liabilities)

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Balance at the beginning of the year	956.37	847.93	140.63	125.82
Current Service Cost	111.23	101.20	20.69	20.59
Interest Cost on Defined Benefit Obligation	71.40	61.85	10.50	9.18
Actuarial (gain)/losses arising from:				
Changes in demographic assumptions	(0.54)		(0.04)	
Changes in financial assumptions	38.73	(17.40)	6.11	(2.78)
Experience adjustment	30.37	16.32	(18.03)	(12.18)
Benefits paid from the plan assets	(75.66)	(53.53)	-	-
Balance at the end of the year	1,131.90	956.37	159.86	140.63

d) Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

(₹ in Lakhs)

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Balance at the beginning of the year	801.58	697.20
Interest Income on Plan Assets	59.84	50.86
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(10.21)	(2.43)
Employer Contributions to the Plan	128.87	109.48
Benefits Paid from the Plan Assets	(75.66)	(53.53)
Balance at the end of the year	904.42	801.58

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

40. Disclosure pursuant to Indian Accounting Standard – 19 'Employee Benefits' (Contd.)

e) The amount recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Present value of Defined Benefit Obligation	1,131.90	956.37	159.86	140.63
Fair Value of Plan Assets	(904.42)	(801.58)	–	–
Net (Asset)/Liability in the Balance Sheet	227.48	154.79	159.86	140.63

f) Expenses recognized in profit or loss

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Current Service Cost	111.23	101.20	20.69	20.59
Interest Cost	71.39	61.86	10.50	9.18
Changes in demographic assumptions	–	–	(0.04)	–
Changes in financial assumptions	–	–	6.11	(2.78)
Experience adjustment	–	–	(18.03)	(12.18)
Interest Income on Plan Assets	(59.84)	(50.86)	–	–
Total Defined Benefit Cost recognized in Profit & Loss	122.78	112.20	19.23	14.81

g) Remeasurements recognized in other comprehensive income

(₹ in Lakhs)

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Actuarial (gain)/losses arising from:		
Changes in demographic assumptions	–	–
Changes in financial assumptions	38.73	(17.40)
Experience adjustment	30.37	16.32
Remeasurement of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	10.21	2.43
Total Defined Benefit Cost recognized in Other Comprehensive Income	78.78	1.35

h) Major Categories of Plan Assets

(₹ in Lakhs)

Particulars	Gratuity (Funded)	
	2023-24	2022-23
Qualified Insurance Policies	100%	100%

The Gratuity Scheme is invested in policies offered by Life Insurance Corporation (LIC) of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

40. Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' (Contd.)

i) Asset Liability Matching Strategy

The company has purchased insurance policy which is basically a year on year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance company as a part of policy rules makes payment of all gratuity outgoes happening during the year (subject to sufficiency of fund under the policy). The Policy, thus mitigate the liquidity risk. However, being cash accumulation plan the duration of assets shorter compared to the duration of liabilities. Thus the company is exposed to movement in interest rate (in Particular the significant fall in interest rate which should result in a increase in liability without corresponding increase in assets).

j) Actuarial Assumptions

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Financial Assumptions				
Discount Rate	7.45%	7.30%	7.45%	7.45%
Salary Escalation Rate	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Normal Retirement age	58 years	58 years	58 years	58 years
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal Rate				
- Upto 40 years	0.42%	0.42%	0.42%	0.42%
- Above 40 years	0.00%	0.00%	0.00%	0.00%

k) The company expect to contribute ₹ 266.46 Lakhs (Previous Year - ₹ 355.34 Lakhs) during the next annual reporting Period to gratuity fund.

l) As at 31st March 2024, the weighted average duration of the defined benefit obligation was 12 years (previous year- 12 years).The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows :

(₹ in Lakhs)

Expected benefits payment for the year ending on	Gratuity (Funded)	Leave
Within next 12 months (next annual reporting period)	75.50	9.08
Between 2 and 5 years	190.58	22.64
Between 6 and 10 years	435.21	52.66
Beyond 10 years	2,328.84	403.36

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

40. Disclosure pursuant to Indian Accounting Standard – 19 'Employee Benefits' (Contd.)

m) Sensitivity Analysis

Significant actuarial assumption for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possibly changes of the assumption occurring at the end of the reporting period, while holding all other assumption constant. The result of sensitivity assumption is given below:

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Leave	
	2023-24	2022-23	2023-24	2022-23
Defined Benefit Obligation (Base)	1,131.90	956.37	159.86	140.63

(₹ in Lakhs)

Particulars	Gratuity				Leave			
	31-Mar-24		31-Mar-24		31-Mar-24		31-Mar-23	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	1,274.91	1,010.51	1,080.98	850.85	182.71	140.81	160.65	123.90
Salary Growth Rate (-/+1%)	1,012.10	1,269.86	852.12	1,076.81	140.70	182.40	123.77	160.44
Attrition Rate (-/+ 50% Of attrition rates)	1,132.27	1,131.55	956.51	956.24	159.90	159.82	140.64	140.62
Mortality Rate (- / + 10% of mortality rates)	1,131.98	1,131.82	956.36	956.39	159.88	159.84	140.63	140.63

Although the analysis does not take into account the full distribution of cash flows expected under the period, it does an approximation of the sensitivity of the assumptions shown.

41. Related Party Disclosures

Related party where control exists

a) Associates

AA ESS Tradelinks Private Limited^a

b) Joint Venture

Madanpur South Coal Company Limited

c) Key Managerial Personnel & their relatives

Name	Designation
Suresh Kumar Agrawal	Chairman
Saket Agrawal	Managing Director
Dhananjay Uchit Singh *	Executive Director
Pradip Kumar Dey *	Non Executive Director
Manish Agrawal	Non Executive Promoter Director
Prateek Bansal [^]	Non Executive Independent Director

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

41. Related Party Disclosures (Contd.)

Name	Designation
Suneeta Mohanty	Non Executive Independent Director
Navneet Jagatramka	Non Executive Independent Director
Ashok Kumar Soin	Non Executive Independent Director
Kamal Kumar Jain	Chief Financial Officer
Shreya Kar	Company Secretary
Puranmal Agrawal	Relative – Father of Manish Agrawal
Kiran Agrawal	Relative – Mother of Manish Agrawal
Nisha Agrawal	Relative – Wife of Suresh Agrawal
Ekta Agrawal	Relative – Wife of Saket Agrawal
Richa Agrawal	Relative – Wife of Manish Agrawal
Pranay Agrawal	Relative – Son of Suresh Kumar Agrawal

d) Enterprises over which Key management Personnel and or relatives have significant influence

Name	Designation
Admirable Realtors Private Limited	Mayur Media Services Private Limited
Association of Asra Owners	Mecha Cast International
B.S. Confin Private Limited [€]	MSP Infotech Private Limited £
Bharat Earth Mover	MSP Mines & Minerals Limited
Dexo Trading Private Limited	MSP Properties India Limited £
Emerald Tradelink Private Limited [€]	MSP Sponge Iron Limited
Gajgamini Vinimay Private Limited	Orbit Dealcom Private Limited
High Time Holdings Private Limited [€]	Procheta Consultants Private Limited
Howrah Gases Limited	Sampat Marketing Co. Private Limited
Ilex Private Limited	Shree Vinay Finvest Private Limited
Indoves Industrial Private Limited	Shri Enterprise
Inertia Enterprise	Sidhsilver InfraproPERTIES Private Limited □
Jagran Vyapaar Private Limited [¥]	Sikhar Commotrade Private Limited
Jaik Leasing And Commercial Investment Limited [¥]	Subh Enterprise
K.C. Texofine Private Limited [¤]	Swift & Company
Khatupati Energy Limited	West Sintex
M.A. Hire Purchase Private Limited	Yantriki

[^] Appointed as a Non executive independent director w.e.f. 01st Sept. 2022

^{*} Resigned as an Executive Director w.e.f 28th Dec. 2022

[¤] Appointed as an Executive director w.e.f. 10th Jan. 2023

[¤] Merged with M.A. Hire Purchase Private Limited w.e.f. 18th July 2022

[¤] Merged with M.A. Hire Purchase Private Limited w.e.f. 18th July 2022. Ceases to be an associate post the merger.

[€] Merged with Procheta Consultants Private Limited w.e.f. 30th Jan. 2024.

[¥] w.e.f. 27th Mar. 2024, Jagran Vyapaar Private Limited became related party.

[£] Merged with Jaik Leasing And Commercial Investment Limited.

[¤] w.e.f. 01st Apr. 2023, Sidhsilver InfraproPERTIES Private Limited became related party.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Sales		
Admirable Realtors Private Limited	0.31	2.52
Indoves Industrial Private Limited	3,507.84	1,282.21
MSP Sponge Iron Limited	4,220.63	5,437.12
Dividend Income		
Madanpur South Coal Company Limited	330.49	-
Store Chargeable Issue		
Bharat Earth Mover	4.98	4.42
Inertia Enterprise	3.15	3.47
Mecha Cast International	0.57	1.17
Shree Vinay Finvest Private Limited	3.78	1.61
Shri Enterprise	1.65	0.54
Subh Enterprise	0.26	2.69
Swift & Company	2.05	1.77
West Sintex	-	0.66
Yantriki	0.52	1.46
Purchase of Raw Material & Components Consumed		
Howrah Gases Limited	-	-
Indoves Industrial Private Limited	773.73	460.88
MSP Sponge Iron Limited	15,332.22	15,142.85
Shree Vinay Finvest Private Limited	16.62	23.70
Service Charges paid for Corporate Guarantee given by party		
MSP Sponge Iron Limited	53.27	-
Directors' Remuneration		
Dhananjay Uchit Singh	-	13.41
Manish Agrawal	56.22	55.45
Saket Agrawal	59.57	58.67
Suresh Kumar Agrawal	56.93	55.89
Key Managerial Remuneration		
Kamal Kumar Jain	38.97	34.75
Shreya Kar	10.74	9.45
Expenses paid by party on behalf of us		
Indoves Industrial Private Limited	24.71	29.32
M.A. Hire Purchase Private Limited	4.41	-
MSP Cement Limited	0.29	-
MSP Sponge Iron Limited	234.42	340.38
MSP Properties India Limited	-	-
Sidhsilver InfraproPERTIES Private Limited	35.55	-
Yantriki	-	0.94

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Expenses paid us party on behalf of party		
Indoves Industrial Private Limited	2.66	0.25
MSP Sponge Iron Limited	24.30	44.57
MSP Cement Limited	-	-
Howrah Gases Limited	2.80	1.95
Rent Expenses		
Ekta Agrawal	11.52	11.52
Jaik Leasing And Commercial Investment Limited	3.25	-
K.C. Texofine Private Limited	-	5.00
M.A. Hire Purchase Private Limited	35.40	23.60
MSP Properties India Limited	-	24.78
Richa Agrawal	8.64	8.64
Shree Khatupati Mercantiles Private Limited	-	5.00
Sidhsilver InfraproPERTIES Private Limited	92.04	-
Vehicle Hire Charges Paid		
Howrah Gases Limited	58.06	49.38
Jaik Leasing And Commercial Investment Limited	3.04	-
Mayur Media Services Private Limited	4.20	4.20
MSP Infotech Private Limited	-	31.86
Bharat Earth Mover	22.37	21.43
MSP Properties India Limited	-	4.67
Shreevadhu Mercantile Private Limited	-	4.40
Maintenance Charges Paid		
Association of Asra Owners	1.78	-
Equipment Hire Charges Paid		
Bharat Earth Mover	100.78	93.26
Inertia Enterprise	82.03	85.21
Khatupati Energy Limited	67.26	67.26
Mecha Cast International	55.93	37.52
Shri Enterprise	41.70	46.79
Shree Vinay Finvest Private Limited	338.73	241.06
Yantri	79.01	83.55
Swift & Company	55.22	56.11
Subh Enterprise	53.54	74.59
West Sintex	39.65	41.54
Expense on Raw Materials		
MSP Mines & Minerals Limited	35.40	35.40
MSP Sponge Iron Limited	630.72	344.31

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

(₹ in Lakhs)

Particulars	Total	
	2023-24	2022-23
Repayment of Loans & Advances		
AA ESS Tradelinks Private Limited	-	0.01
Ilex Private Limited	-	23.00
Orbit Dealcom Private Limited	13.00	-
Gajgamini Vinimay Private Limited	10.43	10.45
Procheta Consultants Private Limited	2,001.21	18.00
Sampat Marketing Co. Private Limited	-	21.00
Loans & Advances Taken		
Gajgamini Vinimay Private Limited	10.43	10.45
Orbit Dealcom Private Limited	13.40	1.07
Procheta Consultants Private Limited	2001.21	-
Guarantee Obtained		
Manish Agrawal	545.30	495.64
Puranmal Agrawal	259.99	250.55
Saket Agrawal	498.08	425.73
Suresh Kumar Agrawal	481.99	374.11
Loans & Advances (Closing Balance)		
AA ESS Tradelinks Private Limited	-	-
MSP Cement Limited	54.34	50.58
Howrah Gases Limited	-	-
Prateek Mines & Minerals Private Limited	-	-
MSP Properties India Limited	-	3.38
Shree Vinay Finvest Private Limited	1,095.00	1,095.00
Trade Receivable (Closing Balance)		
Admirable Realtors Private Limited	0.31	0.04
Indoves Industrial Private Limited	480.75	18.49
Sidhsilver InfraproPERTIES Private Limited	44.08	-
Trade Payable (Closing Balance)		
Bharat Earth Mover	9.90	9.24
Ekta Agrawal	0.86	0.86
Mayur Media Services Private Limited	0.32	0.32
Inertia Enterprise	4.65	5.53
Howrah Gases Limited	4.43	4.43
Jaik Leasing And Commercial Investment Limited	5.01	-
MSP Sponge Iron Limited	-	4,301.40
K.C. Texofine Private Limited	-	-
Khatupati Energy Limited	6.19	6.19
M.A. Hire Purchase Private Limited	2.70	2.45

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

41. Related Party Disclosures (Contd.)

Particulars	Total	
	2023-24	2022-23
Mecha Cast International	4.64	3.98
MSP Infotech Private Limited	-	2.43
MSP Properties India Limited	-	2.33
Richa Agrawal	0.65	0.65
Shreevadhu Mercantile Private Limited	-	-
Shri Enterprise	2.35	4.10
Shree Khatupati Mercantiles Private Limited	-	-
Shree Vinay Finvest Private Limited	1,161.38	78.15
Subh Enterprise	3.20	5.20
Yantri	5.91	6.28
West Sintex	3.25	3.25
Swift & Company	4.41	4.32
MSP Mines & Minerals Limited	2.90	2.90
Advance Received (Closing Balance)	2,886.43	-
Loans Taken (Closing Balance)		
B.S. Confin Private Limited	-	103.21
Dexo Trading Private Limited	1,617.00	1,617.00
Emerald Tradelink Private Limited	-	65.00
High Time Holdings Private Limited	-	1,833.00
Ilex Private Limited	1,522.00	1,522.00
Jaik Leasing And Commercial Investment Limited	915.00	-
M.A. Hire Purchase Private Limited	560.00	560.00
Orbit Dealcom Private Limited	51.67	66.07
Gajgamini Vinimay Private Limited	80.00	80.00
Procheta Consultants Private Limited	2,837.21	836.00
Sampat Marketing Co. Private Limited	2,234.00	2,234.00
Sikhar Commodity Trade Private Limited	740.59	740.59
Investments		
AA ESS Tradelinks Private Limited	-	-
Howrah Gases Limited	15.91	15.91
M.A. Hire Purchase Private Limited	4,370.68	4,370.68
Madanpur South Coal Company Limited	131.96	131.96
MSP Cement Limited	58.07	58.07
MSP Properties India Limited	-	0.75
Prateek Mines & Minerals Private Limited	65.32	65.32
MSP Sponge Iron Limited	49.50	49.50

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

42. Segment information

The Group is engaged in manufacturing of "Iron and Steel". Consequent to the adoption of IND-AS, the Group has identified one operating segment viz, "Iron and Steel", which is consistent with the internal reporting provided to the managing director who is the chief operating decision maker of the Group.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

Revenue from external customers	2023-24	2022-23	(₹ in Lakhs)
India	2,83,999.38	2,53,395.99	
Outside India	1,467.34	52.11	
	2,85,466.72	2,53,448.10	

Non-Current Assets *	As at 31 st March 2024	As at 31 st March 2023	(₹ in Lakhs)
India	81,705.19	82,676.28	
Outside India	-	-	
	81,705.19	82,676.28	

*excludes financial assets, deferred tax, current tax assets, post-employment benefit assets and Investment in Subsidiaries, Associate & Joint Venture.

Information about major customers

Total amount of revenues from customers (each exceeding 10% of total revenues of the Group) is ₹ Nil (Previous Year ₹ Nil Lakhs) reported under Iron & Steel segment.

43 Miscellaneous Expenses include de-recognition of financial asset (Trade Receivables/Advances/Loan) on account of irrecoverability, the contractual right to receive cash flow from the financial asset of ₹ 31.82 Lakhs (Previous Year – ₹ 17.11 Lakhs).

44. Assets pledged as security

The carrying amounts of assets pledged as security are:

Particulars	Refer Note No.	As at 31 st March 2024	As at 31 st March 2023	(₹ in Lakhs)
For Term Loan				
First Charge				
Equitable Mortgage				
Land	3(a)	941.36	961.67	
Factory Building	3(a)	7,922.50	8,352.29	
Other Building	3(a)	5,122.57	5,406.85	
First Hypothecation				
Plant & Machinery, Vehicle, office equipment and Furniture & Fixtures	3(a)	67,640.02	67,864.24	
Capital Work in Progress	3(b)	-	-	

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

44. Assets pledged as security (Contd.)

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31 st March 2024	As at 31 st March 2023
Second Charge			
(a) Inventories	8	49,047.32	48,387.78
(b) Financial Assets			
(i) Trade Receivables	9	7,008.39	7,502.85
(ii) Cash and Cash equivalents	10	2,578.12	1,066.59
(iii) Bank Balances other than (ii) above	11	2,107.54	1,468.56
(iv) Other Financial Assets	5(b)	34.26	55.53
(c) Other Current Assets	12	11,757.87	13,622.90
Total Assets Pledged against Term Loan		1,54,159.95	1,54,689.26
For Cash Credit			
First Charge			
(a) Inventories	8	49,047.32	48,387.78
(b) Financial Assets			
(i) Trade Receivables	9	7,008.39	7,502.85
(ii) Cash and Cash equivalents	10	2,578.12	1,066.59
(iii) Bank Balances other than (ii) above	11	2,107.54	1,468.56
(iv) Other Financial Assets	5(b)	34.26	55.53
(c) Other Current Assets	12	11,757.87	13,622.90
Second Charge			
(a) Property, Plant and Equipment	3(a)	81,626.45	82,585.05
(b) Capital Work in Progress	3(b)	-	-
Total Assets Pledged against Cash Credit		1,54,159.95	1,54,689.26

45. Group Information

The Consolidated Financial Statements relate to MSP Steel & Power Limited ('the Holding Company'), its subsidiaries & associates and its jointly controlled entity (collectively referred to as 'Group'). The details are given below :

(₹ in Lakhs)

Name of Company	Place of Incorporation	Relation	Proportion of Interest 2023-24	Proportion of Interest 2022-23
Indian Subsidiaries				
MSP Cement Ltd	India	Subsidiary	100%	100%
Prateek Mines & Minerals Private Limited	India	Subsidiary	63.69%	63.69%

Joint Venture

The Holding Company has a 14.54% interest in Madanpur South Coal Company Ltd. (Previous Year - 14.54%)

Associate

The Holding Company has no Associate during the present financial year. It had a 42.75% interest in AA ESS Tradelinks Pvt Ltd in the Previous Year.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

46. Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Net Assets:

Entity Name	2023-24		2022-23		(₹ in Lakhs)
	% of Consolidated Assets	Amount	% of Consolidated Assets	Amount	
Holding Company					
MSP Steel & Power Limited	99.04	57,701.58	99.07	56,495.16	
Indian Subsidiaries					
MSP Cement Limited	0.10	58.07	0.10	58.07	
Prateek Mines & Minerals Private Limited	0.11	65.32	0.11	65.32	
Joint Venture					
Madanpur South Coal Company Ltd	0.75	437.89	0.71	406.04	
Associate					
AA ESS Tradelinks Pvt Ltd	-	-	-	-	
Total		58,262.86		57,024.59	

47. Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Share of Profit / (Loss), Other Comprehensive Income (OCI) and Total Comprehensive Income (TCI):

Entity Name	Share of Profit		OCI		TCI		(₹ in Lakhs)
	As at 31 st March, 2024	%	As at 31 st March, 2024	%	As at 31 st March, 2024	%	
Holding Company							
MSP Steel & power Limited	1,437.68	100.21	(196.40)	100.00	1,241.28	100.24	
Indian Subsidiaries							
MSP Cement Limited	(1.97)	(0.14)	-	-	(1.97)	(0.16)	
Prateek Mines & Minerals Private Limited	(2.16)	(0.15)	-	-	(2.16)	(0.17)	
Joint Venture							
Madanpur South Coal Company Ltd.	1.09	0.08	-	-	1.09	0.09	
Associate							
AA ESS Tradelinks Pvt Ltd	-	-	-	-	-	-	
Total	1,434.64	100.00	(196.40)	100.00	1,238.25	100.00	

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

47. Disclosure of additional information pertaining to the Parent Company, Subsidiaries, Associate and Joint Venture in respect of Share of Profit / (Loss), Other Comprehensive Income (OCI) and Total Comprehensive Income (TCI): (Contd.)

Entity Name	Share of Profit		OCI		TCI	
	As at 31 st March, 2024	%	As at 31 st March, 2024	%	As at 31 st March, 2024	%
Holding Company						
MSP Steel & Power Limited	(5,371.34)	106.16	226.24	104.39	(5,145.10)	106.24
Indian Subsidiaries						
MSP Cement Limited	0.26	(0.01)		-	0.26	(0.01)
Prateek Mines & Minerals Private Limited	(2.99)	0.06		-	(2.99)	0.06
Joint Venture						
Madanpur South Coal Company Limited	314.34	(6.21)	(9.51)	(4.39)	304.83	(6.29)
Associate						
AA ESS Tradelinks Pvt Limited	-	-	-	-	-	-
Total	(5,059.73)	100.00	216.73	100.00	(4,843.00)	100.00

48 Investment in Joint Venture

The Group has a 14.54% interest in Madanpur South Coal Company Ltd (Previous Year - 14.54%). The joint venture is incorporated in India. The Group's interest in joint venture is accounted for using the equity method in the consolidated financial statements.

The following table illustrates the aggregate financial information relating to joint ventures as required by Ind AS
(₹ in Lakhs)

Particulars	31 st March 2024	31 st March 2023
Current Assets	495.99	2,698.46
Non Current Assets	83.98	101.28
Current Liabilities	(3.09)	(7.14)
Non Current Liabilities	-	-
Equity	(576.88)	(2,792.60)
Proportion of Group's Ownership Interest	14.54%	14.54%

Particulars	31 st March 2024	31 st March 2023
Revenue	51.21	2,705.36
Employee Benefit Expenses	(2.28)	(3.73)
Other Expenses	(9.53)	(6.18)
Profit Before Tax	39.40	2,695.45
Exceptional Item	17.30	-

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

48 Investment in Joint Venture (Contd.)

Particulars	(₹ in Lakhs)	
	31 st March 2024	31 st March 2023
Income Tax Expense	14.77	533.58
Profit After Tax	7.33	2,161.87
Other Comprehensive Income	-	(65.38)
Total Comprehensive Income	7.33	2,096.49
Group's Share of Profit for the year	1.07	314.34
Group's Share of Other Comprehensive Income for the year	-	(9.51)
Group's Share of Total Comprehensive Income for the year	1.07	304.83

49 The holding company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

For the Year Ended 31st March'24

Name of the Bank	Aggregate Working Capital Sanctioned	Amount Outstanding at Quarter End	Quarter Ended	Amount Disclosed as per Quarterly Statement*			Amount as per Books of accounts*	Difference	Reason For Variance
				Gross Amount	Margin @ 20%	Net Amount			
Consortium of Banks led by State Bank of India	26,000.00	23,025.75	June 30, 2023	36,189.34	7,237.87	28,951.47	45,403.22	-9,213.88	Note -1
	26,000.00	23,927.68	September 30, 2023	34,666.79	6,933.36	27,733.43	48,342.83	-13,676.04	
	26,000.00	23,148.81	December 31, 2023	32,927.50	6,585.50	26,342.00	46,346.02	-13,418.52	
	26,000.00	24,610.86	March 31, 2024	33,078.23	6,615.65	26,462.58	-211.84	33,290.06	

For the Year Ended 31st March'23

Name of the Bank	Aggregate Working Capital Sanctioned	Amount Outstanding at Quarter End	Quarter Ended	Amount Disclosed as per Quarterly Statement*			Amount as per Books of accounts*	Difference	Reason For Variance
				Gross Amount	Margin @ 20%	Net Amount			
Consortium of Banks led by State Bank of India	26,000.00	19,164.23	June 30, 2022	35,992.84	7,198.57	28,794.27	40,309.61	-11,515.34	Note -1
	26,000.00	23,862.26	September 30, 2022	34,293.56	6,858.71	27,434.85	40,061.39	-12,626.54	
	26,000.00	23,013.77	December 31, 2022	32,882.20	6,576.44	26,305.76	39,921.45	-13,615.69	
	26,000.00	23,626.34	March 31, 2023	32,702.50	6,540.50	26,162.00	41,832.70	-15,670.70	

Note 1 – Statements are being filed with bankers on the basis of provisional figures since the final figures are made available at a later date. The Company has not claimed Drawing Power (DP) on certain current assets. DP is calculated as per norms of lenders. The terms of the sanction letter limit the amount of advances & Stock of Stores & Spares that can be considered in the Drawing Power calculation for the monthly stock statements.

*This is computed by considering the following :

Inventory+Trade Receivables+Advances Given to suppliers-Trade Payables-Advances Received from customers

Notes to the Consolidated Financial Statements

for the year ended 31st March,2024

50 Other Statutory Information

- (a) The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and intangible assets during the year.
- (b) The Group has not given any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties.
- (c) The Group has not used borrowings for purpose other than specified purpose of the borrowing.
- (d) The Group does not have any Benami property. Further, there are no proceedings initiated or are pending against the Group for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (e) The Group does not have transactions with any struck off companies during the current year and previous year.
- (f) The Group has not traded or invested in Crypto currency or Virtual Currency during the current financial year.
- (g) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (h) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (i) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (j) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- (k) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (l) The Group has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.
- (m) The Group did not raise any term loans or no new working capital borrowings have been sanctioned the current year. Accordingly, the Group does not have any charges to be filed or satisfaction which is yet to be registered with ROC beyond the statutory period.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2024

51 The previous year's figures have been regrouped, rearranged and reclassified to conform to the classification of the current year, wherever necessary.

52 The financial statements have been approved in Audit Committee meeting held on 29-05-2024 and approved by the Board of Directors on the same day.

As per our report of even date:

For **S K Agrawal and Co Chartered Accountants LLP**
Firm Registration No.-306033E/E300272
Chartered Accountants

For and behalf of Board of Directors

Sandeep Agrawal
Partner
Membership No.-058553
Kolkata, 29th May, 2024

Suresh Kumar Agrawal
Chairman
DIN - 00587623

Saket Agrawal
Managing Director
DIN - 00129209

Kamal Kumar Jain
Chief Financial Officer

Shreya Kar
Company Secretary
Mem No. A41041

