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INDEPENDENT AUDITOR'S REPORT

To The Members of Arjas Steel Private Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Arjas Steel Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total 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 ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the 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 of India ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis Report and Directors' Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Management Discussion & Analysis Report and Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial controls that we identify during our audit.

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

Other Matters

The standalone financial statements of the Company for the year ended March 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on June 7, 2024.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 44 to the standalone financial statements) and not complying with the requirement of audit trail as stated in (i)(vi) below.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

   g) 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 A". 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.

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

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 - Refer Note 40 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.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 43(v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

- in respect of one software, the audit trail feature was not enabled for certain critical tables/master records throughout the year and audit trail was not enabled at the database level to log any direct data changes. During the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of tables/records for which the audit trail feature was enabled and operating. Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention, as stated in Note 44 to the standalone financial statements.

- In respect of software operated by a third party software service provider for maintaining payroll records, in the absence of an independent auditor's System and Organisation Controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software and whether there were any instances of the audit trail feature been tampered with (Refer Note 44 of the standalone financial statements). Additionally, in absence of the independent auditor's System and Organisation Controls report covering the audit trail requirement, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention for the year ended March 31, 2024.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 25047840BMRJUS1806

Place: Bengaluru
Date: May 19, 2025
Ref: MP/MS/HG/RD/2025

Deloitte Haskins & Sells

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

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

We have audited the internal financial controls with reference to standalone financial statements of Arjas Steel Private Limited (the "Company") as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 25047840BMRJUS1806

Place: Bengaluru
Date: May 19, 2025
Ref: MP/MS/HG/RD/2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

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

(i) In respect of property, plant and equipment

a)

A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work-in-progress.

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

b) The Company has a program of verification of property, plant and equipment and capital work-in-progress so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no assets were due for verification during the year and were physically verified by the Management during the year. Accordingly, the question of reporting on material discrepancies noted on verification does not arise.

c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (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 are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmations directly received by us from custodian.

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

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

a) The inventories (except for goods-in-transit) and stocks lying with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For goods in transit, the goods have been received subsequently and the evidence of receipts has been linked with inventory records. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

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

(iii) The Company has not provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in; and granted loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

Particulars	**Loans (Amount in Rs. Lakh)**
Aggregate amount granted / provided during the year: - Subsidiary	3,607.58
Balance outstanding as at balance sheet date (including accrued interest) - Subsidiary	24,072.33

b) The investments made and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans during the year are, in our opinion, not prejudicial to the Company's interest.

c) According to the information and explanation provided to us and on the basis of examination of the records of the Company, in case of a term loan of Rs. 3,431.16 lakh given to the subsidiary, the repayment of principal and payment of interest has been stipulated. The repayment of principal has not fallen due as of March 31, 2025 and thus, there has been no default on the part of the subsidiary in respect of principal portion of such loan. However, the receipts of interest has not been regular as given in the table below. Further, a working capital loan of Rs. 18,955.58 lakh given to the subsidiary is repayable on demand. As informed to us, the Company has not demanded repayment of working capital loan during the year. Thus, there has been no default on the part of the subsidiary in respect of principal portion of such loan. However, the receipt of interest has not been regular as given in the table below.

Name of the entity	**Nature**	**Gross amount (in Rs. Lakh)**	**Due date**	**Extent of delay (in days)**	**Remarks**
Arjas Modern Steel Private Limited	Interest on term loan	317.22	March 31, 2024	101	Received on July 10, 2024
	Interest on working capital loan	1,322.15	March 31, 2024	101	
		521.86	March 31, 2023	467	

d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.

e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) The Company has granted loans or advances in the nature of loans which are repayable on demand details of which are given below:

Particulars	Related parties Amount (in Rs. Lakh)
Aggregate of loans - Repayable on demand (A)	18,955.58
Percentage of loans to the total loans	78.74%

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

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

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

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of the Statue	Nature of the dues	Forum where dispute is pending	Period to which amount relates	Amount involved (Rs in lakhs)	Amount unpaid (Rs in lakhs)
Income Tax Act, 1961	Income tax	The Commissioner / Joint Commissioner of Income-tax, Appeals	FY 2022-23	6,262.23	6,262.23
			FY 2019-20	292.27	292.27
Andra Pradesh Tax on entry of Goods into Area Act, 2001	Entry tax	High Court of Andhra Pradesh - (Amaravathi)	FY 2014-15 to FY 2017- 18	650.93	488.20
		Andhra Pradesh Sales Tax Appellate Tribunal, Vishakapatnam	FY 2011-12	1.15	-
			FY 2012-13	3.69	-
			FY 2013-14	34.79	-
Andra Pradesh VAT Act, 2005	Value Added Tax	Deputy Commissioner of State Tax, Anantapur	FY 2011-12 to 2013-2014	551.28	496.15
		High Court of Andhra Pradesh -(Amaravathi)	FY 2005-06 to FY 2007-08	54.80	54.80
Andra Pradesh VAT Act, 2005	Sales tax	Andhra Pradesh Sales tax Appellate Tribunal - Vishakapatnam	FY 2008 -09	752.04	685.38
			FY 2004-05	16.71	8.35
			FY 2005-06	35.17	17.04
			FY 2007-08	1,090.98	272.17
Tamil Nadu value added Tax Act, 2006	Value added Tax	Tamil Nadu Sales Appellate Tribunal	FY 2015-16	46.71	31.13
Central Goods and Service Tax Act, 2017	Goods and Service tax	The Goods and Services Tax Appellate Tribunal	October 2021 to September 2022	32.89	29.60
			July 2017 to March 2018	130.65	106.89
			FY 2018-19	104.81	94.33
		Joint Commissioner – Faridabad South Division	FY 2017-18	26.20	24.89
		Joint Commissioner Appeals, Agra	FY 2024-25	11.06	-
		Joint/Additional Commissioner Appeals - Guntur	October 2022 to September 2023	11.74	11.74
Finance Act, 1994	Service Tax	Additional Commissioner of Adjudication - Tirupati	FY 2016-17	98.15	98.15

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

(ix)

a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year, except as under:

Nature of borrowing	Name of lender	Amount not paid on due date (in Rs. Lakh)	Whether principal / interest	Number of days delay/unpaid	Remarks
External Commercial Borrowings	Blue Coral Investment Holdings Pte Limited	646.09	Interest	32	Due date – August 10, 2024 Paid on – September 11, 2024
		476.65		11	Due date – September 20, 2024 Paid on – October 1, 2024

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

d) On an overall examination of the financial statements of the Company, the funds raised on short term basis aggregating Rs. 3,275.65 lakh have been used for long-term purposes.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. Further, the Company did not have any associate or joint venture during the year.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Further, the Company did not have any associate or joint venture during the year.

(x)

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

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

(xi)

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

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

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

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

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)

a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered the internal audit reports issued to the Company during the year and for the period under audit.

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

(xvi)

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

b) In our opinion, 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 (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

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

(xx)

a) In respect of other than ongoing projects, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 25047840BMRJUS1806

Place: Bengaluru
Date: May 19, 2025
Ref: MP/MS/HG/RD/2025

Arjas Steel Private Limited
Standalone Balance Sheet as at March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,20,888.57	1,09,177.45
(b) Right of use assets	5A	590.81	631.98
(c) Capital work-in-progress	4	24,366.67	26,274.71
(d) Intangible assets	6	523.47	352.79
(e) Financial assets			
(i) Investments	7	2,234.78	2,349.47
(ii) Loans	9	24,072.33	18,779.16
(iii) Other financial assets	10	4,917.70	1,283.22
(f) Income tax assets (net)	12	587.96	701.23
(g) Other non-current assets	13	4,102.20	4,377.19
Total non-current assets		**1,82,284.49**	**1,63,927.20**
Current assets			
(a) Inventories	14	55,021.07	83,930.12
(b) Financial assets			
(i) Trade receivables	8	26,894.03	28,634.63
(ii) Cash and cash equivalents	15	1,147.54	2,739.36
(iii) Bank balances other than cash and cash equivalents	16	-	30.39
(iv) Other financial assets	10	865.11	2,800.65
(c) Other current assets	13	2,234.35	2,276.08
Total current assets		**86,162.10**	**1,20,411.23**
Total assets		**2,68,446.59**	**2,84,338.43**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,40,207.91	2,40,207.91
(b) Other equity	18	(1,08,549.47)	(1,11,941.27)
Total equity		**1,31,658.44**	**1,28,266.64**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	39,638.34	44,686.56
(ii) Lease liabilities	5B	301.99	384.27
(iii) Other financial liabilities	21	58.00	139.57
(b) Provisions	22	-	608.04
(c) Other non-current liabilities	23	1,208.54	353.95
Total non-current liabilities		**41,206.87**	**46,172.39**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	31,211.91	30,648.79
(ii) Lease liabilities	5B	265.34	201.98
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	8,747.15	11,288.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	46,743.76	58,235.21
(iv) Other financial liabilities	21	4,817.90	6,909.13
(b) Provisions	22	1,113.34	1,565.06
(c) Other current liabilities	23	2,681.88	1,050.99
Total current liabilities		**95,581.28**	**1,09,899.40**
Total equity and liabilities		**2,68,446.59**	**2,84,338.43**
Material accounting policies	3		

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership No: 047840]

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

Date: May 19, 2025
Place: Bengaluru

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji . A . Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Standalone Statement of Profit and Loss for year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	Year ended	
		March 31, 2025	**March 31, 2024**
Revenue from operations	24	2,28,707.21	2,01,862.21
Other income	25	2,931.63	3,437.97
Total income		**2,31,638.84**	**2,05,300.18**
Expenses			
Cost of materials consumed	26	1,33,634.76	1,59,548.14
Changes in inventories of finished goods, semi finished goods and work-in-progress	27	24,680.08	(24,771.99)
Employee benefits expense	28	10,475.70	10,312.13
Finance costs	29	7,717.83	7,073.63
Depreciation and amortization expense	30	10,186.02	9,062.12
Other expenses	31	42,723.08	39,445.25
Total expenses		**2,29,417.47**	**2,00,669.28**
Profit before tax		**2,221.37**	**4,630.90**
Tax expenses			
Current tax	11	-	-
Deferred tax	11	-	-
Profit for the year		**2,221.37**	**4,630.90**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the defined benefit plans	41	(11.05)	(36.84)
Fair value changes on Equity Instruments through other comprehensive income	7	(849.47)	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income/(loss)		**(860.52)**	**(36.84)**
Total comprehensive income for the year		**1,360.85**	**4,594.06**
Earnings per equity share of INR 10 each:	32		
Basic [in INR absolute numbers]		0.09	0.20
Diluted [in INR absolute numbers]		0.09	0.20
Material accounting policies	3		

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership No: 047840]

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

Date: May 19, 2025
Place: Bengaluru

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji. A. Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Net profit before tax		**2,221.37**	**4,630.90**
Adjustments for:			
Depreciation and amortization expense	30	10,186.02	9,062.12
Gain on disposal of property, plant and equipment	25	(1.26)	(16.01)
Property, plant and equipment written off	31	557.27	1,390.12
Income from government grant	25	-	(44.24)
Change in fair value of financial instruments at FVTPL	25	6.19	-
Accrual/(reversal) of provision for slow moving and obsolete inventory	14	-	(377.36)
Loss allowance/(reversal) on trade receivable	31	105.10	(57.38)
Provision towards doubtful assets and advances		222.86	4.93
Share based payment to employees	28	577.30	214.62
Finance costs	29	7,717.83	7,073.63
Liabilities no longer required written back	25	(11.79)	(1,114.44)
Interest income on loans given and bank deposits		(2,031.02)	(1,881.00)
Interest income from other deposits	25	(57.66)	-
Guarantee commission income	25	(249.94)	(250.24)
Unrealised foreign currency (gain)/loss		(67.25)	573.16
Operating profit before working capital changes		19,175.02	19,208.81
Adjustments for (increase)/ decrease in operating assets:			
Trade receivables		1,680.14	4,310.50
Inventories		28,909.05	(20,131.77)
Other financial assets		180.66	312.21
Other current assets		90.37	922.81
Other non-current assets		(340.56)	(252.60)
Adjustments for increase/ (decrease) in operating liabilities:			
Trade payables		(14,153.91)	9,527.64
Provisions		(462.77)	205.64
Other financial liabilities		(922.88)	(366.14)
Other non current liabilities		258.34	1,114.44
Other current liabilities		1,394.89	(1,206.93)
Cash generated from operations		35,808.35	13,644.61
Direct taxes (paid)/refunded [net]		113.27	(299.22)
Net cash flow from operating activities (A)		**35,921.62**	**13,345.39**
Cash flow from investing activities			
Payments for acquisition of property, plant and equipment, intangible assets (including capital work-in-progress and capital advances)		(21,892.54)	(13,555.18)
Proceeds from sale of property, plant and equipment		2.47	44.46
Deposits with banks placed		(4,221.00)	(69.97)
Deposits with banks matured and received		440.17	-
Investment in equity shares of Amplus Arjas Solar Private Limited	7	(734.78)	-
Loan given to subsidiary	38	(3,607.59)	(1,500.00)
Interest received		2,527.00	952.83
Net cash used in investing activities (B)		**(27,486.27)**	**(14,127.86)**
Cash flows from financing activities			
Proceeds from sale of treasury shares	18	2,403.64	-
Proceeds from long term borrowings [refer (a) below]		37,366.24	7,052.53
Repayments of long term borrowings [refer (a) below]		(40,116.82)	(14,820.82)
Proceeds from short term borrowings (net) [refer (a) below]		34.55	6,400.00
Payment of principal portion of lease liabilities [refer (b) below]		(235.39)	(181.39)
Payment of interest portion of lease liabilities [refer (b) below]		(64.26)	(52.08)
Interest paid		(7,597.26)	(6,982.75)
Net cash flow in financing activities (C)		**(8,209.30)**	**(8,584.51)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		226.05	(9,366.98)
Cash and cash equivalents at the beginning of the year		(131.42)	9,235.56
Cash and cash equivalents at the end of the year		**94.63**	**(131.42)**

Reconciliation of closing balance of cash and cash equivalents to cash and cash equivalents as per statement of cash flows

	Notes	March 31, 2025	March 31, 2024
Cash and cash equivalents	15	1,147.54	2,739.36
Loans repayable on demand from banks (overdraft facilities)	19	(1,052.91)	(2,870.78)
Cash and cash equivalents as per Standalone Statement of Cash Flows		**94.63**	**(131.42)**

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

ARJAS STEEL PRIVATE LIMITED
BENGALURU

Arjas Steel Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2025 (Contd.)

(all amounts are rupees in lakh, unless otherwise stated)

Net debt reconciliation	As at	
Particulars	**March 31, 2025**	**March 31, 2024**
Non-current borrowings	39,638.34	44,686.56
Current maturities of non current borrowings	6,143.53	3,878.01
Current borrowings	25,068.38	26,770.78
Lease liabilities	567.33	586.25
Net debt	**71,417.58**	**75,921.60**

(a) Changes in liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings
Balance as at April 1, 2023	**55,799.12**	**17,500.00**
Cash inflows from short term borrowings (net)	-	6,400.00
Cash inflows from overdraft facilities (net)	-	2,870.78
Cash inflows from long term borrowings	7,052.53	-
Cash outflows of long term borrowings	(14,820.82)	-
Non cash changes		
- Foreign exchange adjustments	497.51	-
- Unwinding of interest expense on financial liabilities measured at amortised cost (Effective interest rate method)	36.23	-
Balance as at March 31, 2024	**48,564.57**	**26,770.78**
Cash inflows from short term borrowings (net)	-	34.55
Cash outflows from overdraft facilities (net)	-	(1,842.77)
Cash inflows from long term borrowings	37,366.24	-
Cash outflows of long term borrowings	(40,116.82)	-
Non cash changes		
- Interest accrued	96.07	105.82
- Unwinding of interest expense on financial liabilities measured at amortised cost (Effective interest rate method)	(128.19)	-
Balance as at March 31, 2025	**45,781.87**	**25,068.38**

The current borrowings as at March 31, 2025 includes overdraft facilities disclosed as cash and cash equivalents in the Standalone Statement of Cash Flows, but disclosed as borrowings in the balance sheet as required under Guidance Note On Division II - Ind AS Schedule III to the Companies Act, 2013.

(b) Lease liabilities	**March 31, 2025**	**March 31, 2024**
Opening balance	586.25	565.28
Non cash changes		
Additions during the year	216.47	202.36
Interest on lease liabilities	64.26	52.08
Cash outflow		
Payment of principal portion of lease liabilities	235.39	181.39
Payment of interest portion of lease liabilities	64.26	52.08
Closing balance (refer note 5B)	**567.33**	**586.25**

The above Standalone Statement of Cash Flows has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
(Firm Registration Number: 008072S)

Monisha Parikh
Partner
(Membership No: 047840)

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Date: May 19, 2025
Place: Bengaluru

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji . A. Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

A. Equity share capital	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at beginning of the reporting year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the previous year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Changes in equity share capital during the previous year	-	-	-	-
Balance at end of the reporting year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91

B. Other equity	Reserves and surplus							Total
	Capital redemption reserve	Securities premium	Equity settled share based payment reserve	Treasury share reserve	Capital contribution vide interest free loan	Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares	Retained earnings	
Balance at April 1, 2023	4,271.15	30,201.52	158.08	(961.73)	1,412.20	1,461.23	(1,53,292.40)	(1,16,749.95)
Profit for the year	-	-	-	-	-	-	4,630.90	4,630.90
Items of other comprehensive income								
- Remeasurement of the defined benefit plans	-	-	-	-	-	-	(36.84)	(36.84)
Compensation cost related to employee share-based payments	-	-	214.62	-	-	-	-	214.62
Balance at March 31, 2024	4,271.15	30,201.52	372.70	(961.73)	1,412.20	1,461.23	(1,48,698.34)	(1,11,941.27)
Profit for the year	-	-	-	-	-	-	2,221.37	2,221.37
Items of other comprehensive income								
- Remeasurement of the defined benefit plans	-	-	-	-	-	-	(11.05)	(11.05)
- Impairment loss recognised in other comprehensive Income [refer note 7]	-	-	-	-	-	-	(849.47)	(849.47)
Compensation cost related to employee share-based payments	-	-	(372.70)	-	-	-	-	(372.70)
De-recognition of treasury share reserve [refer note 18]	-	-	-	961.73	-	-	-	961.73
Gain on sale of treasury shares [net of capital gain tax] [refer note 3.10(iv) and note 45]	-	1,441.92	-	-	-	-	-	1,441.92
Balance at March 31, 2025	4,271.15	31,643.44	-	-	1,412.20	1,461.23	(1,47,337.49)	(1,08,549.47)

Notes: 1. Remeasurement of defined benefit plans and impairment loss recognised in other comprehensive income is recognised as a part of retained earnings with separate disclosure.
2. Refer note 18 for nature and purpose of reserves

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership No: 047840]

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Date: May 19, 2025
Place: Bengaluru

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji A. Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

1 Company information

Arjas Steel Private Limited was incorporated on March 16, 1993. The Company operates a special steel plant situated at Tadipatri, Andhra Pradesh, which manufactures special steel products and has an installed capacity of 3,00,000 tons of special steel per year, focused on automotive, defence, railways and related industries. The Company is a private limited Company domiciled in India. The address of its principal place of business and registered office is Tadipatri Mandal, Anantapur village, Jambulapadu, Andhra Pradesh – 515 411.

2 Basis of accounting and preparation of standalone financial statements

2.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with Section 133 of the Companies Act, 2013 (referred to as "Act") and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

(i) Certain financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
(ii) Defined benefits and other long-term employee benefits;
(iii) Derivative instruments measured at fair value through of profit or loss (FVTPL).

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently in the standalone financial statements.

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "Nil" in the relevant notes to these standalone financial statements.

2.3 Functional and presentation currency

The standalone financial statements are presented in Indian Rupees [INR] unless otherwise stated, the national currency of India, which is the functional currency of the Company. All amounts have been rounded off to the nearest lakhs with two decimals thereof.

2.4 Classification of assets and liabilities as current and non-current

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle,
(ii) It is held primarily for the purpose of being traded,
(iii) It is expected to be realised within 12 months after the reporting date, or
(iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) It is expected to be settled in the Company's normal operating cycle,
(ii) It is held primarily for the purpose of being traded,
(iii) It is due to be settled within 12 months after the reporting date, or
(iv) The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred Tax Assets and Liabilities are classified as non-current only.

Operating cycle

Based on the nature of activities of the Company and normal time between acquisition of assets and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

2.5 Significant areas of estimation uncertainty, critical judgement, and assumptions in applying accounting policies

While preparing standalone financial statements in conformity with Ind AS, the Company makes certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the standalone financial statements and the reported amounts of revenues and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The management believes that the estimates used in preparation of these standalone financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about critical judgement in applying accounting policies as well as estimates and assumptions that have significant effect to the carrying amount of assets and liabilities are included in the accounting policies:

(i) Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources [refer note 3.9];
(ii) Valuation of inventories and inventory obsolescence [refer note 3.5];
(iii) Depreciation and amortisation method and useful life of items of property, plant and equipment and intangible assets [refer note 3.1 and 3.3];
(iv) Impairment of investment in subsidiary;
(v) Recognition of deferred tax assets [refer note 3.12].

2.6 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

HASKINS & SELLS DELOITTE CHARTERED ACCOUNTANTS BENGALURU

ARJAS STEEL PRIVATE LIMITED BENGALURU

3 Material accounting policies

3.1 Property, plant and equipment

Property, plant and equipment [PPE] are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognised in the Standalone Statement of Profit and Loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with expenditure will flow to the Company.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Standalone Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

Depreciation is calculated on cost of item of property, plant & equipment less their estimated residual values using straight line method over estimated useful life (as determined below) and recognised in the Standalone Statement of Profit and Loss.

Assets	Useful life of assets
Buildings – other than factory buildings	60 years
Factory buildings	30 years
Other buildings (including roads and temporary structures)	3-10 years
Plant and machinery (including railway sidings and electrical installations)	8-40 years
Computers	3-6 years
Furniture	10 years
Office equipment	5 years
Vehicles	8 years

Depreciation method, useful life and residual values are reviewed at each financial year end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on pro-rata basis i.e., from (up to) the date on which asset is ready to use (disposed of).

In line with the provisions of Schedule II of the Companies Act 2013, the Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Freehold land is not depreciated.

Capital work-in-progress includes direct cost of property, plant and equipment under installation / under development as at the balance sheet date, related incidental expenses and attributable interest.

3.2 Leases

The Company's leased asset class consists of leases for office spaces, depots, laptops and vehicles leased for employees. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a) the contract involves the use of an identified asset

b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low values. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and 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.

Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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3.2 Leases [Contd.]

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

On the Standalone Balance Sheet, right-of-use assets has been disclosed as a separate item and lease liabilities have been included in financial liabilities. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including irrecoverable duties and taxes and any costs directly attributable to making the asset ready for their intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with expenditure will flow to the Company.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the Standalone Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight-line method of amortisation of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in Standalone Statement of Profit and Loss when the asset is derecognised.

3.4 Impairment of non-financial assets

Carrying amount of tangible and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The impairment loss is recognised in the Standalone Statement of Profit and Loss. When there is an indication that an impairment loss recognized for an asset (other than revalued asset) in earlier accounting periods no longer exists or may have decreased, the carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset in prior years.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are independent of the cash inflows from other assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.5 Inventories

Raw materials, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, and stores and spares are determined on a weighted average basis.

Work-in-progress, semi-finished goods and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes wherever applicable. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average. Net realisable value of work in progress is determined with reference to selling prices of related finished goods.

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

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which includes the consideration of product lines and market conditions.

3.6 Statement of cash flows and cash and cash equivalents

Cash flows are reported using the indirect method, whereby net profits/(loss) before tax is adjusted for effects of transactions of a non-cash/non-operating nature. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Standalone Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Standalone Balance Sheet.

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3.7 Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

Assessment of business model

The Company determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective. the Company's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company considers all relevant information available when making the business model assessment. the Company takes into account all relevant evidence available such as:

a) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
b) the risks that affect the performance of the business model (and the financial assets held within that business model) and in particular, the way in which those risks are managed; and
c) how managers of the business are compensated (e.g., whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

Solely payments of principal and interest ['SPPI'] test

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. the Company reassesses its business models each reporting period to determine whether the business models have changed since the preceding period.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that meets the SPPI test on the principal outstanding. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet the definition. In making this assessment, the Company considers:

a) Contingent events that would change the amount of timing of cash flows;
b) Terms that may adjust the contractual coupon rate, including variable interest rate features;
c) Prepayments and extension feature and;
d) Terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Standalone Statement of Profit and Loss.

Equity investments at FVOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

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

Financial assets at fair value through profit or loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting/ mismatch that otherwise would arise.

Financial assets: Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's Standalone Balance Sheet) when:

a) the rights to receive cash flows from the asset have expired, or
b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
   i) the Company has transferred substantially all the risks and rewards of the asset, or
   ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss ('ECL') model for measurement and recognition of impairment loss on financial assets.

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 Company 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, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions. As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. For financial assets other than trade receivables, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

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3.7 Financial Instruments [Contd.]

Financial assets that are debt instruments are measured at amortized cost, e.g., loans, deposits and bank balances. The gross carrying amount of financial assets are written off when the Company has no reasonable expectations of recovering the entire financial asset or a portion thereof. The financial assets written off are still subject to enforcement activities in order to comply with company's procedures for recovery of amounts due.

Trade receivables

The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

Financial liabilities

The Company classifies all financial liabilities as subsequently measured at amortized cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Standalone Statement of Profit and Loss.

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts and derivative financial instruments.

Derivative instruments

The Company holds derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Derivatives are initially measured at fair value. Subsequent to the initial recognition, derivatives are measured at fair value and changes therein are recognised in Standalone Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Standalone Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate [EIR] method. Gains and losses are recognized in Standalone Statement of Profit and Loss when the liabilities are derecognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Standalone Statement of Profit and Loss. This category generally applies to interest bearing loans and borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities: Derecognition

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially modified, such an exchange or modification is treated as the derecognition of the original liability and recognition of a new liability. The difference between the carrying value of the financial liability and the consideration paid is recognised in Standalone Statement of Profit and Loss.

Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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:

a) In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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3.7 Financial Instruments [Contd.]

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

3.8 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The Company shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Capitalization of borrowing costs is suspended and charged to the Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying asset is interrupted.

3.9 Provisions, contingent liabilities, contingent assets

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period if the effect of time value of money is material. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liabilities are disclosed in the case of:

a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) a present obligation arising from the past events when no reliable estimate is possible;

c) a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company.

The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets are neither recognised nor disclosed in the standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.10 Employee benefits

(i) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Standalone Statement of Profit and Loss of the year in which the related services are rendered. A liability is recognized for the amount expected to be paid if the Company has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and obligation can be estimated reliably.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined benefit plans such as gratuity; and

b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified independent actuary using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Standalone Statement of Changes in Equity and in the Standalone Balance Sheet.

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3.10 Employee benefits [Contd.]

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Standalone Statement of Profit and Loss. the Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

The Company makes specified monthly contribution towards provident and pension fund to publicly administered provident fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the Standalone Statement of Profit and Loss in the period in which service is provided by employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Other long-term employee benefit obligations [compensated absences]

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Standalone Statement of Profit and Loss.

The obligations are presented as current liabilities in the Standalone Balance Sheet of the Company as company does not have an unconditional right to defer its settlement for at least 12 months after reporting date.

(iv) Share based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 45.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Standalone Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled share based payment reserve.

For share based payment award with non-vesting condition, the grant date fair value of the share based payment is measured to reflect such conditions and there is no true up for actual and expected outcomes.

The Company has created an Employee Benefit Trust [trust] for providing share-based payment to its employees. The Company uses the trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The trust buys shares of the Company for giving shares to employees. The Company treats trust as its extension and shared held by the trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in securities premium.

3.11 Revenue recognition

Sale of goods or services

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from sale of goods is measured at fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverables and/or linked arrangements) net of returns, Goods and Services tax, applicable discounts, refunds, rebates, allowances and charge backs or other similar items in a contract when they are highly probable to be provided.

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

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sales, which the Company has determined is when physical possession, legal title and risks and rewards of ownership of the products transfer to the customer and the Company is entitled to payment. The timing of the transfer of risks and rewards varies depending on individual terms of the sales agreements.

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

Contract balances

(i) Contract assets

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

(ii) Contract liabilities

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

Interest Income

Interest income from debt instruments and bank deposits is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income

Dividends are recognised in Standalone Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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3.12 Income tax

Income tax consists of current and deferred tax. Income tax expense is recognized in the Standalone Statement of Profit and Loss except to the extent it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax is recognised in Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity, respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amount and it is intended to realise the asset and liability on a net basis.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent there is convincing evidence that sufficient future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

The temporary differences in relation to right of use assets and lease liability for specific leases are regarded as a net package for the purpose of recognising deferred tax.

Deferred tax assets and deferred tax liabilities are offset if:

(i) a legally enforceable right exists to set off current tax assets against current income tax liabilities and;

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.13 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year adjusted with interest/dividend on convertible instruments by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.14 Foreign currency translation

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

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Standalone Statement of Profit and Loss on a net basis within other gains / (losses).

Foreign exchange differences on long term foreign currency monetary items, such as borrowings, solely relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets. In all other cases, the Company recognises such differences in the Standalone Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the foreign currency at the exchange rate of the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.15 Government grants and incentives

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Standalone Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met. When the grant relates to an asset, it is recognised as an income on a systematic basis over the expected useful life of the related asset.

In case of grants that compensate the Company for expenses incurred are recognised in Standalone Statement of Profit and Loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving grant are met after the related expenses have been recognised. In this case grant is recognised when it becomes receivable.

3.16 Onerous contracts

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

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(all amounts are rupees in lakh, unless otherwise stated)

4 Property, plant and equipment

Particulars	Land - freehold	Buildings	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Cost								
Balance as at April 1, 2024	8,508.47	43,101.83	1,34,237.92	697.55	1,116.72	827.96	90.22	1,88,580.67
Additions	-	453.63	20,963.44	79.18	427.48	48.31	86.12	22,058.16
Disposals / write-offs	1.20	6.08	1,486.18	0.11	-	0.67	-	1,494.24
Balance as at March 31, 2025	8,507.27	43,549.38	1,53,715.18	776.62	1,544.20	875.60	176.34	2,09,144.59
Accumulated impairment as at April 1, 2024	-	19.33	81.04	0.20	0.07	0.39	-	101.03
Reversal for the year [refer note 30]	-	19.33	81.04	0.20	0.07	0.39	-	101.03
Accumulated impairment as at March 31, 2025	-	-	-	-	-	-	-	-
Accumulated depreciation as at April 1, 2024	-	12,637.11	64,860.70	453.15	795.42	539.10	16.71	79,302.19
Charge for the year [refer note 30]	-	1,343.52	8,314.68	74.49	102.04	41.63	13.22	9,889.58
Disposals / write-offs	-	2.37	932.70	0.10	-	0.58	-	935.75
Accumulated depreciation as at March 31, 2025	-	13,978.26	72,242.68	527.54	897.46	580.15	29.93	88,256.02
Accumulated depreciation and impairment as at March 31, 2025	-	13,978.26	72,242.68	527.54	897.46	580.15	29.93	88,256.02
Net carrying value as at April 1, 2024	8,508.47	30,445.39	69,296.18	244.20	321.23	288.47	73.51	1,09,177.45
Net carrying value as at March 31, 2025	8,507.27	29,571.12	81,472.50	249.08	646.74	295.45	146.41	1,20,888.57

Particulars	As at April 1, 2024	Additions	Capitalisation/ Deduction	As at March 31, 2025
Capital work-in-progress [CWIP]	26,274.71	20,448.02	22,356.06	24,366.67

Ageing of Capital work-in-progress

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	10,350.77	8,605.21	4,305.59	1,105.10	24,366.67

Expected completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
where cost and time overrun exceeded original plan					
in progress					
Garret coiler and Bell annealing furnace	17,895.65	-	-	-	17,895.65
Steel Melt Shop [SMS] Phase 2: Augmentation of SMS Equipment	2,039.43	-	-	-	2,039.43
Revamping of Stove 3	1,039.34	-	-	-	1,039.34
Other projects*	499.59	-	-	-	499.59
	21,474.01	-	-	-	21,474.01
where time overrun exceeded original plan					
in progress					
Other projects*	936.82	-	-	-	936.82
	936.82	-	-	-	936.82

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4 Property, plant and equipment [Contd.]

Particulars	Land - freehold	Buildings	Plant and machinery	Office equipment	Computers	Furniture and fixtures	Vehicles	Total
Cost								
Balance as at April 1, 2023	8,519.67	41,597.12	1,32,888.59	583.09	989.48	772.40	80.36	1,85,430.71
Additions	-	1,619.56	3,798.85	116.53	127.24	57.30	9.86	5,729.34
Disposals / write-offs	11.20	114.85	2,449.52	2.07	-	1.74	-	2,579.38
Balance as at March 31, 2024	**8,508.47**	**43,101.83**	**1,34,237.92**	**697.55**	**1,116.72**	**827.96**	**90.22**	**1,88,580.67**
Accumulated impairment as at April 1, 2023	-	19.99	86.17	0.20	0.07	0.41	-	106.84
Charge for the year [refer note 30]	-	0.66	5.13	-	-	0.02	-	5.81
Accumulated impairment as at March 31, 2024	-	**19.33**	**81.04**	**0.20**	**0.07**	**0.39**	-	**101.03**
Accumulated depreciation as at April 1, 2023	-	11,326.78	58,931.60	395.42	738.79	492.60	4.61	71,889.80
Charge for the year [refer note 30]	-	1,343.67	7,235.72	59.94	56.69	47.71	12.10	8,755.83
Disposals / write-offs	-	33.34	1,306.62	2.21	0.06	1.21	-	1,343.44
Accumulated depreciation as at March 31, 2024	-	**12,637.11**	**64,860.70**	**453.15**	**795.42**	**539.10**	**16.71**	**79,302.19**
Accumulated depreciation and impairment as at March 31, 2024	-	**12,656.44**	**64,941.74**	**453.35**	**795.49**	**539.49**	**16.71**	**79,403.22**
Net carrying value as at April 1, 2023	8,519.67	30,250.35	73,870.82	187.47	250.62	279.39	75.75	1,13,434.07
Net carrying value as at March 31, 2024	**8,508.47**	**30,445.39**	**69,296.18**	**244.20**	**321.23**	**288.47**	**73.51**	**1,09,177.45**

Particulars	As at April 1, 2023	Additions	Capitalisation/ Deduction	As at March 31, 2024
Capital work-in-progress [CWIP]	**15,764.97**	16,611.74	6,102.00	**26,274.71**

Ageing of Capital work-in-progress

Particulars	As at March 31, 2024 Less than 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	992.29	2,770.18	13,948.91	8,563.33	26,274.71

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

Expected completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

Particulars	To be completed in Less than 1 year	1-2 years	2-3 years	> 3 years	Total
where cost and time overrun exceeded original plan					
In Progress					
Garret coiler and Bell annealing furnace	11,594.15	-	-	-	11,594.15
Revamping of Blast furnace proper	1,933.59	-	-	-	1,933.59
Other projects*	705.04	-	-	-	705.04
	14,232.78	-	-	-	**14,232.78**
where time overrun exceeded original plan					
In Progress					
Reducing and sizing block	8,469.76	-	-	-	8,469.76
Revamping of Stove 1 & 2	2,350.46	-	-	-	2,350.46
Other projects*	558.12	-	-	-	558.12
	11,378.34	-	-	-	**11,378.34**

*Individual projects less than INR 1,000 lakh have been clubbed together in other projects.
(i) The title deeds of all immovable properties are held in the name of the Company
(ii) Refer note 39 for the contractual commitments relating to property, plant and equipment
(iii) Property, plant and equipment have been pledged as security against bank borrowings, the terms relating to which have been described in note 19
(iv) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

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5 Leases

A Right of use assets

Carrying value of right of use assets as at March 31, 2025

Particulars	Buildings	Others	Total
Balance as at April 1, 2024	837.62	216.05	1,053.67
Additions	216.47	-	216.47
Deletions	13.03	61.00	74.03
Balance as at March 31, 2025	**1,041.06**	**155.05**	**1,196.11**
Accumulated depreciation as at April 1, 2024	347.78	73.91	421.69
Charge for the year [refer note 30]	214.40	43.24	257.64
Disposals	13.03	61.00	74.03
Accumulated depreciation as at March 31, 2025	**549.15**	**56.15**	**605.30**
Net carrying value as at April 1, 2024	489.84	142.14	631.98
Net carrying value as at March 31, 2025	**491.91**	**98.90**	**590.81**

Carrying value of right of use assets as at March 31, 2024

Particulars	Buildings	Others	Total
Balance as at April 1, 2023	772.47	99.58	872.05
Additions	65.15	137.21	202.36
Deletions	-	20.74	20.74
Balance as at March 31, 2024	**837.62**	**216.05**	**1,053.67**
Accumulated depreciation as at April 1, 2023	181.95	53.74	235.69
Charge for the year [refer note 30]	165.83	40.91	206.74
Disposals	-	20.74	20.74
Accumulated depreciation as at March 31, 2024	**347.78**	**73.91**	**421.69**
Net carrying value as at April 1, 2023	590.52	45.84	636.36
Net carrying value as at March 31, 2024	**489.84**	**142.14**	**631.98**

B Lease liabilities

Movement of lease liabilities

Particulars	March 31, 2025	March 31, 2024
Lease liabilities at beginning of the year	**586.25**	**565.28**
Additions during the year	216.47	202.36
Interest on lease liabilities	64.26	52.08
Lease payments	299.65	233.47
Closing lease liabilities at end of the year	**567.33**	**586.25**

Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	March 31, 2025	March 31, 2024
Less than 1 year	305.36	233.06
1-5 years	319.04	421.07
More than 5 years	-	-
Total undiscounted lease liabilities	**624.40**	**654.13**

Lease liabilities included in the Standalone Balance Sheet

	March 31, 2025	March 31, 2024
Current	265.34	201.98
Non current	301.99	384.27
Total	**567.33**	**586.25**

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5 Leases [Contd.]

Amounts recognised in the Standalone Statement of Profit and Loss

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets [refer note 30]	257.64	206.74
Interest expense on lease liabilities [refer note 29]	64.26	52.08
Expense relating to short-term leases/low value asset [refer note 31]	855.08	920.61

The Company has taken offices, warehouses/depots and vehicles on lease for business purposes are classified as right-of-use assets. Refer note 36 for other short-term leases.

Amounts recognised in the Standalone Statement of Cash Flows

Particulars	March 31, 2025	March 31, 2024
Total cash outflow for leases	299.65	233.47

The weighted average incremental borrowing rate of 9.60% [March 31, 2024: 9.60%] has been applied to lease liabilities recognised in the Standalone Balance Sheet.

6 Intangible assets

Particulars	Software	Total
Balance as at April 1, 2024	1,649.31	1,649.31
Additions	310.51	310.51
Balance as at March 31, 2025	**1,959.82**	**1,959.82**
Accumulated amortisation as at April 1, 2024	1,296.52	1,296.52
Charge for the year [refer note 30]	139.83	139.83
Accumulated amortisation as at March 31, 2025	**1,436.35**	**1,436.35**
Net carrying value as at April 1, 2024	352.79	352.79
Net carrying value as at March 31, 2025	**523.47**	**523.47**
Balance as at April 1, 2023	1,636.12	1,636.12
Additions	13.19	13.19
Balance as at March 31, 2024	**1,649.31**	**1,649.31**
Accumulated amortisation as at April 1, 2023	1,191.16	1,191.16
Charge for the year [refer note 30]	105.36	105.36
Accumulated amortisation as at March 31, 2024	**1,296.52**	**1,296.52**
Net carrying value as at April 1, 2023	444.96	444.96
Net carrying value as at March 31, 2024	**352.79**	**352.79**

Intangibles have been pledged as security against bank borrowings, the terms relating to which have been described in note 19

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(all amounts are rupees in lakh, unless otherwise stated)

7 Investments	As at March 31, 2025	As at March 31, 2024
Investments in equity instruments [measured at fair value through other comprehensive income]		
Unquoted investments		
Shares of Andhra Pradesh Gas Power Corporation Limited [APGPCL] 12,59,600 equity shares [March 31, 2024: 12,59,600 equity shares] of face value INR 10/- each fully paid up]	849.47	849.47
Less: Impairment loss [refer note below]	(849.47)	-
Shares of Amplus Arjas Solar Private Limited 70,08,227 equity shares [March 31, 2024: Nil] of face value INR 10/- each fully paid up	734.78	-
Investments in equity instruments of subsidiary [measured at cost]		
Unquoted investments		
99.99% ownership in Arjas Modern Steel Private Limited 1,49,99,999 equity shares [March 31, 2024: 1,49,99,999 equity shares] of face value INR 10/- each fully paid up]	1,500.00	1,500.00
Total	**2,234.78**	**2,349.47**

Note: The Company has re-assessed the recoverability during the year and has fully impaired the investments made in APGPCL.

8 Trade receivables [carried at amortised cost unless otherwise stated]	As at March 31, 2025	As at March 31, 2024
Trade receivables - Unsecured, considered good	27,050.10	28,679.98
Trade receivables - Credit impaired	-	12.59
	27,050.10	**28,692.57**
Allowance for expected credit loss	(156.07)	(57.94)
Total	**26,894.03**	**28,634.63**

Trade receivables have been pledged as security against bank borrowings, the terms relating to which have been described in note 19.

The Company does not have any debts due by directors, other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except for loans given to subsidiary. [refer note 9 and note 38]

Movement in the expected credit loss allowance	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	(57.94)	(137.56)
Loss (allowance)/reversal on trade receivable	(105.10)	57.38
Utilisation of allowance	6.97	22.24
Balance at end of the year	**(156.07)**	**(57.94)**

The Company's exposure to credit risk, currency risk and loss allowance related to trade receivable are disclosed in note 35
There are no disputed trade receivables as on March 31, 2025 and March 31, 2024

Ageing as at March 31, 2025

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
– considered good	11,404.32	15,334.85	212.11	61.10	33.91	3.81	27,050.10
– credit impaired	-	-	-	-	-	-	-
Total	**11,404.32**	**15,334.85**	**212.11**	**61.10**	**33.91**	**3.81**	**27,050.10**
Less: Allowance for expected credit losses							(156.07)
Total							**26,894.03**

Ageing as at March 31, 2024

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
– considered good	14,874.03	13,669.40	73.51	59.91	3.13	-	28,679.98
– credit impaired	-	6.94	1.40	3.57	0.68	-	12.59
Total	**14,874.03**	**13,676.34**	**74.91**	**63.48**	**3.81**	**-**	**28,692.57**
Less: Allowance for expected credit losses							(57.94)
Total							**28,634.63**

9 Loans [carried at amortised cost unless otherwise stated]	As at March 31, 2025	As at March 31, 2024
Loans to subsidiary company - Unsecured, considered good [refer note 35 and note 38]	24,072.33	18,779.16
Total	**24,072.33**	**18,779.16**

Loan to subsidiary company includes interest accrued amounting to INR 1,685.59 lakh.

Loans granted to subsidiary which are repayable on demand as are below:	March 31, 2025	March 31, 2024
Aggregate of loans outstanding at the end of the year which are repayable on demand	18,955.58	15,348.00
Total principal outstanding at the end of the year	24,072.33	18,779.16
Percentage of loans on total loans	**78.7%**	**81.7%**

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10 Other financial assets [carried at amortised cost unless otherwise stated]	Non current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good				
Bank deposits with more than 12 months maturity [refer (i) below]	4,723.57	1,012.06	79.38	-
Recoverable from related parties [refer note 38]	-	-	-	124.12
Interest accrued	-	-	-	2,161.23
Advances to employees	-	-	10.96	-
Security deposits [refer note (ii) below]	136.13	131.60	128.00	177.17
Guarantee commission	58.00	139.56	646.77	338.13
Total	4,917.70	1,283.22	865.11	2,800.65

(i) Bank deposits including interest accrued have been pledged as security against bank borrowings, the terms relating to which have been described in note 19 amounting to INR 4,375.31 lakh [March 31, 2024: INR 609.36 lakh] and deposits amounting to INR 427.64 lakh [March 31, 2024: INR 402.70 lakh] are in lien against bank guarantees.
(ii) Security deposits are primarily in relation to rental agreements and earnest money deposits.

The Company's exposure to credit risk and currency risk and loss allowance related to other financial assets are disclosed in note 35.

11 Deferred tax assets (net)	As at	
	March 31, 2025	March 31, 2024
Deductible temporary differences		
Unabsorbed depreciation / business loss as per income tax [refer (i) below]	8,829.59	12,152.59
Provisions and others	728.67	759.37
ECL on trade receivables and other financial assets	73.92	829.80
Other financial liabilities [refer note (ii)]	324.11	313.47
Deferred government grant	-	139.14
Fair value changes on equity instruments through other comprehensive income	296.84	-
	10,253.13	14,194.37
Taxable temporary differences		
Property, plant and equipment [difference between carrying value as per books of account and written down value as per income tax]	9,928.65	13,876.59
Borrowings	73.12	28.30
Right of use assets	206.45	220.84
Impairment reversal of property plant and equipment and CWIP	-	2.03
Other financial assets	48.77	79.48
Remeasurement of employee benefit expenses [items of OCI]	(3.86)	(12.87)
	10,253.13	14,194.37
Net deferred tax assets/ (liabilities)	-	-

(i) This is restricted to the extent of deferred tax liabilities because of lack of convincing evidence that sufficient taxable profit will be available against which such unabsorbed depreciation or unused tax losses can be utilised by the Company.
(ii) Other financial liabilities includes deferred tax asset computed on lease liability, derivative liability and other accruals

The analysis of deferred tax assets and deferred tax liabilities is as follows:
Significant components of deferred tax assets/(liabilities) recognised in the standalone financial statements are as follows:

Deferred tax balance in relation to	**As at March 31, 2024**	**Recognised/ reversed through statement of profit and loss or OCI**	**As at March 31, 2025**
Property, plant and equipment	(13,876.59)	3,947.94	(9,928.65)
Borrowings	(28.30)	(44.82)	(73.12)
Right of use assets	(220.84)	14.39	(206.45)
Other financial assets	(79.48)	30.71	(48.77)
Remeasurement of employee benefit expenses [items of OCI]	12.87	(9.01)	3.86
Carried forward business loss/unabsorbed depreciation	12,152.59	(3,323.00)	8,829.59
Impairment reversal of property plant and equipment and CWIP	(2.03)	2.03	-
Provisions	759.37	(30.70)	728.67
ECL on trade receivables and other financial assets	829.80	(755.88)	73.92
Other financial liabilities [refer note (ii) above]	313.47	10.64	324.11
Deferred government grant	139.14	(139.14)	-
Fair value changes on equity instruments through other comprehensive income [items of OCI]	-	296.84	296.84
Total	-	-	-

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11 Deferred tax assets (net) (Contd.)

Deferred tax balance in relation to	As at March 31, 2023	Recognised/ reversed through statement of profit and loss or OCI	As at March 31, 2024
Property, plant and equipment	(14,449.54)	572.95	(13,876.59)
Borrowings	(40.96)	12.66	(28.30)
Right of use assets	(222.37)	1.53	(220.84)
Other financial assets	(200.00)	120.52	(79.48)
Remeasurement of employee benefit expenses (items of OCI)	73.33	(60.46)	12.87
Carried forward business loss/unabsorbed depreciation	12,817.59	(665.00)	12,152.59
Impairment/(impairment reversal) of property plant and equipment and CWIP	(2.24)	0.21	(2.03)
Provisions	674.64	84.73	759.37
ECL on trade receivables and other financial assets	856.54	(26.74)	829.80
Other financial liabilities (refer note (ii) above)	338.41	(24.94)	313.47
Deferred government grant	154.60	(15.46)	139.14
Total	-	-	-

Tax losses for which no deferred tax asset is recognised as follows:

	March 31, 2025	March 31, 2024
Unabsorbed depreciation (this will not expire under Indian tax laws)	91,253.55	83,100.24
	91,253.55	**83,100.24**

Income tax in Standalone Statement of Profit and Loss and other comprehensive income is nil. Reconciliation of effective tax rate is as below

	March 31, 2025	March 31, 2024
Profit before tax	2,221.37	4,630.90
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**776.24**	**1,618.22**
Deductible expenses and unabsorbed depreciation where deferred tax asset is not recognised	(1,149.66)	(2,916.90)
Other non-deductible expenses	373.42	747.07
Other temporary differences	-	551.61
Tax expense for the year	-	-

12 Income tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Tax deducted at source receivable	587.96	701.23
	587.96	**701.23**

13 Other current and non current assets

	Non current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good -				
Capital advances	726.03	1,127.74	-	-
Advances other than capital advances				
Payment made to statutory authorities under protest	2,059.21	1,797.14	-	-
Electricity deposit	903.44	815.78	50.70	42.01
Water and other deposits	-	-	129.73	150.74
Advances to parties other than related parties				
Advances to suppliers	-	-	1,198.52	1,005.31
Advances to employees	-	-	11.94	16.74
Balances with government authorities	-	-	344.67	497.02
Prepaid expenses	15.33	24.50	498.79	564.26
Government grant (refer note 47)	398.19	612.03	-	-
	4,102.20	4,377.19	2,234.35	2,276.08
Unsecured, considered doubtful -				
Government grant and security deposit	213.84	2,270.18	-	-
Less: Provision for doubtful assets	(213.84)	(2,270.18)	-	-
	-	-	-	-
Advance to vendors	-	-	55.47	46.54
Less: Provision for doubtful advances	-	-	(55.47)	(46.54)
	-	-	-	-
	4,102.20	**4,377.19**	**2,234.35**	**2,276.08**

Current assets have been pledged as security against bank borrowings, the terms relating to which have been described in note 19.

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14 Inventories	As at	
	March 31, 2025	March 31, 2024
Raw materials (including goods-in-transit amounting to INR 48.47 lakh [March 31, 2024: INR 124.69 lakh])	16,981.72	19,720.15
Work-in-progress	1,547.20	1,269.99
Finished goods (including goods-in-transit amounting to INR 3,259.35 lakh [March 31, 2024: INR 3,733.47 lakh])	21,840.43	19,709.34
Semi finished goods	9,509.83	36,598.21
Stores and spares	5,141.89	6,632.43
Total inventories [valued at lower of cost and net realisable value]	**55,021.07**	**83,930.12**

Inventories have been pledged as security against bank borrowings, the terms relating to which have been described in note 19.

Value of inventories above is stated after provisions INR 1,269.29 lakh [March 31, 2024: INR 1,077.66 lakh] for slow moving and obsolete items. The movement of provision are included in cost of materials consumed and changes in inventories of finished goods, work-in-progress and semi finished goods respectively. There are no written down value of the inventories to net realisable value.

15 Cash and cash equivalents	As at	
	March 31, 2025	March 31, 2024
Cash on hand	0.81	1.07
Balances with banks		
On current accounts	1,146.73	2,738.29
	1,147.54	**2,739.36**

There are no restrictions with regard to cash and cash equivalents as at the end of reporting period.

16 Bank balances other than cash and cash equivalents	As at	
	March 31, 2025	March 31, 2024
Balances with banks		
Bank deposits with original maturity more than 3 months and less than 12 months from the reporting date	-	30.39
	-	**30.39**

Deposits amounting to INR Nil [March 31, 2024: INR 30.39 lakh] are in lien against bank guarantees.
Refer note 10 for details of bank deposits with original maturity greater than 12 months.

17 Equity share capital	As at	
	March 31, 2025	March 31, 2024
Authorised share capital :		
2,90,00,00,000 [March 31, 2024: 2,90,00,00,000] equity shares of INR 10/- each	2,90,000.00	2,90,000.00
	2,90,000.00	**2,90,000.00**
Issued, subscribed and fully paid-up capital comprises :		
2,40,20,79,056 [March 31, 2024: 2,40,20,79,056] equity shares of INR 10/-each, fully paid	2,40,207.91	2,40,207.91
Total issued, subscribed and fully paid-up share capital	**2,40,207.91**	**2,40,207.91**

(a) Reconciliation of shares outstanding as at the beginning of the year and as at the end of the year:

Equity shares	As at			
	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at beginning of the year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Add: Issued during the year	-	-	-	-
Balance at end of the year	**2,40,20,79,056**	**2,40,207.91**	**2,40,20,79,056**	**2,40,207.91**

(b) Rights, preference and restrictions attached to shares including restrictions on the distribution of dividends and the repayment of capital:

Equity shares: The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividends, when declared, are paid in Indian Rupees. The distribution of dividend (if any) is in the proportion to the number of equity shares held by the shareholders.
In the event of liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(c) Details of share holders holding more than 5% shares in the Company

Name of the shareholder	As at			
	March 31, 2025		March 31, 2024	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of INR 10 each fully paid				
The Sandur Manganese & Iron Ores Limited [from November 11, 2024]	2,37,65,19,836	98.94%	-	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain [up to November 10, 2024]	-	-	2,34,79,27,245	97.75%

(d) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date. Further there are no shares reserved for issue under contracts or commitments for the sale of shares or disinvestment.

(e) Details of equity shares held by Promoter

Promoter Name	As at					
	March 31, 2025			March 31, 2024		
	No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
The Sandur Manganese & Iron Ores Limited	2,37,65,19,836	98.94%	100.00%	-	-	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	-	-	-	2,34,79,27,245	97.75%	1.15%

(f) During the year, The Sandur Manganese & Iron Ores Limited [SMIORE] entered into Share Purchase Agreement [SPA] and acquired 2,37,65,19,836 equity shares of the Company. The SPA consummated on November 11, 2024 and consequently the Company has become subsidiary of SMIORE.

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18 Other equity	As at	
	March 31, 2025	March 31, 2024
Retained earnings	(1,47,337.49)	(1,48,698.34)
Capital redemption reserve	4,271.15	4,271.15
Securities premium	31,643.44	30,201.52
Treasury share reserve	-	(961.73)
Equity settled share based payment reserve	-	372.70
Capital contribution vide interest free loan	1,412.20	1,412.20
Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares	1,461.23	1,461.23
	(1,08,549.47)	**(1,11,941.27)**
Retained earnings		
Balance at beginning of year	(1,48,698.34)	(1,53,292.40)
Profit for the year	2,221.37	4,630.90
Items of other comprehensive income:		
Fair value changes on equity instruments through other comprehensive income	(849.47)	-
Reserve for remeasurements of the defined benefit plans	(11.05)	(36.84)
Balance at end of the year	**(1,47,337.49)**	**(1,48,698.34)**
Capital redemption reserve		
Balance at beginning of the year	4,271.15	4,271.15
Movement during the year	-	-
Balance at end of the year	**4,271.15**	**4,271.15**
Securities premium		
Balance at beginning of the year	30,201.52	30,201.52
Movement during the year [refer note 45]	1,441.92	-
Balance at end of the year	**31,643.44**	**30,201.52**
Treasury share reserve		
Balance at beginning of the year	(961.73)	(961.73)
Derecognised upon sale of treasury shares [refer note 45]	961.73	-
Balance at end of the year	**-**	**(961.73)**
Equity settled share based payment reserve		
Balance at beginning of the year	372.70	158.08
Movement during the year [refer note 45]	(372.70)	214.62
Balance at end of the year	**-**	**372.70**
Capital contribution vide interest free loan		
Balance at beginning of the year	1,412.20	1,412.20
Movement during the year	-	-
Balance at end of the year	**1,412.20**	**1,412.20**
Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares		
Balance at beginning of the year	1,461.23	1,461.23
Movement during the year	-	-
Balance at end of the year	**1,461.23**	**1,461.23**
Total other equity	**(1,08,549.47)**	**(1,11,941.27)**

Nature of reserves

Retained earnings are the profits that the Company has earned till date [including amounts recognised in OCI], less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings are free reserve available to the Company.

Capital redemption reserve is created for redemption of preference shares as per statutory requirement. This reserve would be utilised in accordance with the specific provisions of the Companies Act, 2013.

Securities premium is the amount received in excess of face value of the equity shares. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Treasury share reserve comprises the cost of the company's shares held by Arjas Employee Benefit Trust. At March 31, 2025, the trust held Nil [March 31, 2024: 330,30,682] of company's shares.

Equity settled share based payment reserve is the share-based payment reserve is used to recognise the value of equity settled share-based payments provided to employees [refer note 45].

Capital contribution vide interest free loan represents the difference between nominal value (actual amount received) of the interest free loan and the fair value on initial recognition. Since the loan was provided in the capacity of a shareholder, the Company has accounted for resulting credit as a capital contribution disclosed in the manner as stated above in line with the requirements of the reporting framework. Accordingly, there is no specific purpose for utilisation with respect to this amount.

Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares represents the difference between nominal value (actual amount received) of the preference shares and the fair value on initial recognition. Since the investment in preference shares was made in the capacity of a shareholder, the Company has accounted for resulting credit as a capital contribution disclosed in the manner as stated above in line with the requirements of the reporting framework. Accordingly, there is no specific purpose for utilisation with respect to this amount.

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19 Borrowings	Non Current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Secured at amortised cost:				
Loans from other than related parties:				
Term loans [refer (a), (b) and (c) below]	39,638.34	8,835.78	6,143.53	3,878.01
Working capital demand loan [refer (d) below]	-	-	24,015.47	23,900.00
Loans repayable on demand from banks (overdraft schedule) [refer (d) below]	-	-	1,052.91	2,870.78
Unsecured at amortised cost:				
Loans from related party [refer (e) below]				
External commercial borrowings from Blue Coral Investment Holdings Pte Ltd	-	35,850.78	-	-
	39,638.34	**44,686.56**	**31,211.91**	**30,648.79**

The details of security and repayment of secured term loans are as follows:

a) ICICI Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Charge on DSRA or lien over interest bearing fixed deposits. iv) Non-disposable undertaking to the extent of controlling stake held by immediate holding company. During the year the Company obtained No Objection Certificate from the bank for transfer of its shares held by Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain to SMIORE.	i) Term loan of INR 182.91 lakh [March 31, 2024: INR 487.74 lakh] is repayable - 4 quarterly instalments of INR 45.73 lakh from May'2025 to Feb'2026 ii) Term loan of INR 236.74 lakh [March 31, 2024: INR 631.32 lakh] is repayable - 4 quarterly instalments of INR 59.19 lakh from May'2025 to Feb'2026 iii) Term loan of INR 451.69 lakh [March 31, 2024: INR 1,204.51 lakh] is repayable - 4 quarterly instalments of INR 112.92 lakh from May'2025 to Feb'2026 iv) Term loan of INR 18,000.00 lakh is repayable [March 31, 2024: Nil] - 1st instalment of INR 720.00 lakh in Nov'2025 - 8 quarterly instalments of INR 450.00 lakh from Feb'2026 to Nov'2027 - 16 quarterly instalments of INR 675.00 lakh from Feb'2028 to Nov'2031 - 4 quarterly instalments of INR 720.00 lakh from Feb'2032 to Nov'2032 vi) Rate of interest on all loans vary from MCLR-3M to MCLR-1Y+Spread ranging 9.25%- 9.60% per annum [March 31, 2024: 8.75%- 9.60% per annum] vii) The closing balance of the borrowings is net of unamortised cost of INR 165.40 lakh [March 31, 2024: INR 9.99 lakh] and interest accrued of INR 14.37 lakh [March 31, 2024: Nil].
b) Axis Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Charge on DSRA or lien over interest bearing fixed deposits.	i) Term loan of INR 17,499.93 lakh [March 31, 2024: Nil] is repayable - 1st instalment of INR 699.93 lakh in Nov'2025 - 8 quarterly instalments of INR 437.50 lakh from Feb'2026 to Nov'2027 - 16 quarterly instalments of INR 656.25 lakh from Feb'2028 to Nov'2031 - 4 quarterly instalments of INR 700.00 lakh from Feb'2032 to Nov'2032 ii) Rate of interest is MCLR-3M+Spread ranging currently at 9.25% per annum.
c) HDFC Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Non-disposable undertaking to the extent of controlling stake held by immediate holding company. During the year the Company obtained No Objection Certificate from the bank for transfer of its shares held by Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain to SMIORE.	i) Term loan is INR 9,523.71 lakh for the current year [March 31, 2024: 10,471.20 lakh] is repayable in 13 quarterly instalments of INR 732.59 lakh from Apr'2025 to Apr'2028 ii) Rate of interest on all loans is as mutually agreed, for the current period it is ranging 9.75% - 10.10% per annum [March 31, 2024: 9.40% - 9.80% per annum] iii) The closing balance of the borrowings net of unamortised cost of INR 43.79 lakh [March 31, 2024: 70.99 lakh] and interest accrued of INR 81.71 lakh [March 31, 2024: Nil].

d) The Company has the following working capital facilities from:
(i) ICICI Bank Limited - INR 7,500.00 lakh [March 31, 2024: INR 7,500.00 lakh] interest rate 8.70% to 9.01% per annum [March 31, 2024: interest rate 8.25% to 9.03%]
(ii) HDFC Bank Limited - INR 7,500.00 lakh [March 31, 2024: INR 12,500.00 lakh] interest rate 8.52% to 10.25% per annum [March 31, 2024: interest rate 8.24% to 9.25%] and includes accrued interest of INR 55.42 lakh [March 31, 2024: Nil].
(iii) HSBC Limited - INR 8,934.55 lakh [March 31, 2024: 3,900.00 lakh] interest rate 8.75% to 9.55% per annum [March 31, 2024: interest rate 9.20% per annum] and includes accrued interest of INR 25.50 lakh [March 31, 2024: Nil].
(iv) Overdraft facility from ICICI Bank Limited - INR 827.80 lakh [March 31, 2024: 2,870.78 lakh] interest rate I-MCLR 6M+1.30% currently at 8.25% to 9.25% per annum [March 31, 2024 interest rate I-MCLR 6M+1.30% currently at 8.25% to 9.25% per annum].
(v) Overdraft facility from HDFC Bank Limited - INR 200.21 lakh [March 31, 2024: INR Nil] interest rate I-MCLR 6M+1.30% currently at 8.52% to 10.25% per annum and includes accrued interest of INR 24.90 lakh [March 31, 2024: Nil].
The above facilities are secured by first pari passu charge on current assets, second pari passu charge on property, plant and equipment.

e) Loans availed from Blue Coral Investment Holdings Pte Limited, Singapore amounting to INR 35,850.78 lakh [USD 43 Million] towards the External Commercial Borrowing ['ECB Loan'] is repaid during the year.

f) The Company has not defaulted on repayment of principal and payment of interest on any of the above borrowings during the year.

g) The quarterly returns or statements filed (as revised wherever applicable) by the Company for working capital limits with such banks and financial institutions are in agreement with the books of account of the Company.

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20 Trade payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	8,747.15	11,288.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	46,743.76	58,235.21
	55,490.91	69,523.45

(i) Ageing as at March 31, 2025

Particulars	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	8,191.93	518.33	0.85	31.80	-	4.24	8,747.15
Outstanding dues other than micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	38,334.72	5,656.33	2,607.28	56.37	4.01	85.05	46,743.76
Total	**46,526.65**	**6,174.66**	**2,608.13**	**88.17**	**4.01**	**89.29**	**55,490.91**

(ii) Ageing as at March 31, 2024

Particulars	Not due	Outstanding for the following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	9,965.78	1,294.20	8.35	4.58	2.48	12.85	11,288.24
Outstanding dues other than micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	52,933.98	5,118.70	68.85	20.45	30.27	62.96	58,235.21
Total	**62,899.76**	**6,412.90**	**77.20**	**25.03**	**32.75**	**75.81**	**69,523.45**

(iii) Disclosures under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)".

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

This has been relied upon by the auditors.

Details of dues to micro enterprises and small enterprises as defined under the MSMED Act, 2006	As at March 31, 2025	As at March 31, 2024
(a) the amount remaining unpaid to MSMED suppliers as at the end of the year;		
principal *	10,407.84	11,224.32
interest due thereon	0.66	63.92
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
(c) 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);	171.42	35.65
(d) the amount of interest accrued and remaining unpaid at the end of the year;	236.00	63.92
(e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purposes of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	-	19.73

* Includes dues of micro and small enterprises included within other financial liabilities in note 21.

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21 Other financial liabilities

	Non Current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Employee payable	-	-	-	834.99
Guarantee commission payable	58.00	139.57	81.56	87.88
Interest accrued and not-due	-	-	13.82	386.30
Creditors for capital goods				
- Dues to micro and small enterprises	-		1,660.69	-
- Dues to creditors other than micro and small enterprises	-	-	655.80	4,459.67
Retention money payable	-	-	1,449.84	1,140.29
Derivative instruments at fair value through profit or loss - Forward contracts	-	-	6.19	-
Payable towards share based payments [refer note 45]	-	-	950.00	-
	58.00	**139.57**	**4,817.90**	**6,909.13**

22 Provisions

	Non Current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Employee benefits				
Provision for gratuity [refer note 41]	-	608.04	-	-
Provision for leave encashment* [refer note 41]	-	-	795.69	1,230.09
	-	**608.04**	**795.69**	**1,230.09**
Others				
Provision for litigations [refer (a) below]	-	-	199.11	216.43
Provision for others [refer (b) below]	-	-	118.54	118.54
	-	**-**	**317.65**	**334.97**
	-	**608.04**	**1,113.34**	**1,565.06**

*The entire amount of provision is presented current since the Company does not have an unconditional right to defer settlement for any of these obligations. However the Company does not expect all employee to avail full amount of accrued leave or require payment for such leave within the next 12 months.

(a) Provision for litigation/disputes represents claims against the Company mainly in respect of land related disputes and Value added tax litigations.

Movement in provision for litigations

Particulars	March 31, 2025	March 31, 2024
Balance at beginning of the year	216.43	248.04
Add: Additions during the year [refer note below]	-	17.34
Less: Utilized/reversed during the year	(17.32)	(48.95)
Balance at end of the year	**199.11**	**216.43**

(b) Provision for others represents the amounts accrued by the Company in respect of certain ROC related matters.

Movement in provision for others

Particulars	March 31, 2025	March 31, 2024
Balance at beginning of the year	118.54	111.24
Add: Additions during the year	-	7.30
Less: Utilized/reversed during the year	-	-
Balance at end of the year	**118.54**	**118.54**

23 Other current and non-current liabilities

	Non current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Advances from customers	-	-	285.06	400.26
Statutory dues	-	-	2,160.82	606.03
Deferred government grant [refer note 47]	398.19	353.95	-	44.24
Payable towards gratuity fund [refer note 41]	810.35	-	-	-
Interest payable to micro and small enterprises [refer note 20 (iii)]	-	-	236.00	-
Others	-	-	-	0.46
	1,208.54	**353.95**	**2,681.88**	**1,050.99**

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(all amounts are rupees in lakh, unless otherwise stated)

24 Revenue from operations

	Year ended	
	March 31, 2025	**March 31, 2024**
Sale of products	2,27,829.85	2,01,133.59
Other operating revenue		
- Export incentives	51.02	92.60
- Income from support services	220.38	132.76
- Others [including sale of scrap]	605.96	503.26
	2,28,707.21	**2,01,862.21**

Disaggregation of revenue from contracts with customers

a) Reconciling the amount of revenue recognised with contracts and total revenue

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Total revenue from operations	2,28,707.21	2,01,862.21
Adjustments:		
Other operating revenue		
- Export incentives	51.02	92.60
Total revenue from contracts with customers	**2,28,656.19**	**2,01,769.61**

b) Product-wise revenue

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Bars	2,06,585.49	1,73,703.97
Billets	294.71	1,739.69
Pig Iron	12,892.50	10,323.15
Coke	7,886.13	14,987.99
Slag	171.02	378.79
Total revenue from sale of products	**2,27,829.85**	**2,01,133.59**
Others [including sale of scrap]	605.96	503.26
Income from support services [refer note 38]	220.38	132.76
Total revenue from contracts with customers	**2,28,656.19**	**2,01,769.61**

c) Geography-wise revenue

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
India	2,25,186.17	1,95,726.85
Africa	2,624.21	4,395.16
Europe	255.07	1,175.22
Asia other than India	590.74	472.38
Total revenue from contracts with customers	**2,28,656.19**	**2,01,769.61**

d) Timing of revenue recognition

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Revenue at a point in time	2,28,435.81	2,01,636.85
Revenue over the period	220.38	132.76
Total revenue from contracts with customers	**2,28,656.19**	**2,01,769.61**

e) Reconciliation of gross revenue from contracts with customers

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Revenue as per contracted price	2,34,246.66	2,02,061.33
Less: Discounts, commission and sales returns	(5,590.47)	(291.72)
Total revenue from contracts with customers	**2,28,656.19**	**2,01,769.61**

f) Movement in unbilled revenue

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Opening balance	132.76	139.89
Additions during the year	220.38	132.76
Reclassification adjustments:		
Billing from opening unbilled revenue to trade receivables	(132.76)	(139.89)
Billing from additions transferred to trade receivables	(220.38)	-
Closing balance	-	**132.76**

g) Contract balance

Particulars	Year ended	
	March 31, 2025	**March 31, 2024**
Contract assets - Trade receivables [refer note 8]	26,894.03	28,634.63
Contract liabilities - Advances from customers [refer note 21]		
Balance at beginning of the year	400.26	891.51
Amount recognised in revenue out of opening balance	(400.26)	(882.26)
Amount received in advance during the year net of revenue recognised	285.06	400.26
Amount refunded to customers	-	(9.25)
Balance at end of the year	**285.06**	**400.26**

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25 Other income	Year ended	
	March 31, 2025	March 31, 2024
Interest income earned on financial assets carried at amortised cost		
Loans to related parties [refer note 38]	1,872.88	1,639.37
Bank deposits	158.14	67.00
Usance letter of credit	145.56	118.57
Other non - operating income		
Commission income [refer note 38]	249.94	250.24
Liabilities no longer required written back*	11.79	1,171.82
Interest income on electricity deposit	57.66	56.06
Gain on disposal of property, plant and equipment	1.26	16.01
Miscellaneous income	440.59	74.66
Government grant	-	44.24
Net gain/(loss) on fair value changes - Derivatives at FVTPL	(6.19)	-
	2,931.63	3,437.97

* Liabilities no longer required written back includes ECL provision reversal of INR Nil [March 31, 2024 INR 57.38 lakh]

26 Cost of materials consumed	Year ended	
	March 31, 2025	March 31, 2024
Raw materials		
Inventory at the beginning of the year	19,720.15	25,195.93
Add: Purchases (net)	1,30,896.33	1,54,072.36
Less: Inventory at the end of the year	16,981.72	19,720.15
Cost of raw materials consumed during the year	1,33,634.76	1,59,548.14

27 Changes in inventories of finished goods, semi finished goods and work-in-progress	Year ended	
	March 31, 2025	March 31, 2024
Inventories at the end of the year [including goods-in-transit, refer note 14]		
Work-in-progress	1,547.20	1,269.99
Semi-finished goods	9,509.83	36,598.21
Finished goods	21,840.43	19,709.34
	32,897.46	57,577.54
Inventories at the beginning of the year [including goods-in-transit, refer note 14]		
Work-in-progress	1,269.99	1,333.54
Semi-finished goods	36,598.21	15,294.74
Finished goods	19,709.34	16,177.27
	57,577.54	32,805.55
	24,680.08	(24,771.99)

28 Employee benefits expense	Year ended	
	March 31, 2025	March 31, 2024
Salaries, wages and bonus	8,318.56	8,580.50
Contribution to provident and other funds [refer note 41]	717.80	666.65
Share based payment to employees [refer note 45]	577.30	214.62
Staff welfare expenses	862.04	850.36
	10,475.70	10,312.13

29 Finance costs	Year ended	
	March 31, 2025	March 31, 2024
Interest on financial liabilities carried at amortised cost		
Interest on overdraft/cash credit facilities	2,542.48	1,618.06
Interest on long term borrowings	3,264.48	2,935.98
Interest on lease liabilities	64.26	52.08
Other borrowing costs	1,846.61	2,467.51
	7,717.83	7,073.63

30 Depreciation and amortization expenses	Year ended	
	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment	9,788.55	8,750.02
Depreciation on right of use assets	257.64	206.74
Amortization of intangible assets	139.83	105.36
	10,186.02	9,062.12

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31 Other expenses	Year ended March 31, 2025	Year ended March 31, 2024
Rent [refer note 36]	855.08	920.61
Repairs and maintenance - building	269.88	241.66
Repairs and maintenance - plant and machinery	4,005.90	4,135.44
Repairs and maintenance - others	2,193.14	2,128.52
Insurance	574.49	486.62
Rates & taxes	198.34	185.35
Legal and professional charges [refer (ii), (iii) and (iv) below]	588.02	592.18
IT related services	749.49	688.92
Communication expenses	70.59	72.50
Travel and conveyance	90.33	159.08
Freight outward and forwarding charges	9,234.51	7,852.23
Security charges	157.77	153.63
Stores and spares consumed	11,446.57	11,041.83
Power and fuel	8,016.51	6,144.00
Labour charges	1,749.23	1,529.56
Corporate social responsibility expenses [refer note 46]	284.10	374.84
Payment to auditors [refer (i) and (ii) below]	81.67	92.84
Loss allowance on trade receivables	105.10	-
Provision for doubtful advances	9.02	4.93
Provision for doubtful assets [refer note 47]	213.84	-
Net Loss on foreign currency transaction and translations	688.24	633.02
Property, plant and equipment written off	557.27	1,390.12
Miscellaneous expenses	583.99	617.37
	42,723.08	**39,445.25**

(i) Details of auditors' remuneration and out-of-pocket expenses is as below	Year ended March 31, 2025	Year ended March 31, 2024*
As auditor		
Statutory audit fee	60.50	41.00
Group audit fee	-	42.00
Tax audit and other certification	8.00	2.00
Reimbursement of expenses **	13.17	7.84
(amounts presented above excludes GST)	**81.67**	**92.84**

* Previous year's fees pertains to erstwhile auditors.

** Reimbursement of expenses for the financial year ended March 31, 2025 includes INR 11.11 lakh paid to erstwhile auditor.

(ii) Legal and other professional charges of previous year includes INR 3.00 lakh paid to erstwhile auditor for the tax audit.

(iii) Legal and other professional charges includes INR 4.44 lakh [March 31, 2024: Nil] paid to firm in which the partner of audit firm is a partner.

(iv) Legal and other professional charges includes amounts paid to a firm affiliated to the statutory auditors firm through a networking arrangements as registered with the Institute of Chartered Accountants of India, for the year ended March 31, 2025 INR 25.33 lakh [March 31, 2024: INR 96.66 lakh].

32 Earnings per share (EPS)	Year ended March 31, 2025	Year ended March 31, 2024
The calculation of profit attributable to equity shareholders and weighted average number of equity shareholdings for the purpose of basic EPS and diluted EPS are as follows:		
<u>Basic earnings per share :</u>		
Attributable to equity holders of the Company (in INR absolute numbers)	0.09	0.20
Total basic earnings per share	**0.09**	**0.20**
<u>Diluted earnings per share :</u>		
Attributable to equity holders of the Company (in INR absolute numbers)	0.09	0.20
Total diluted earnings per share attributable to equity holders of the Company	**0.09**	**0.20**
<u>Reconciliation of earnings used in calculating earnings per share :</u>		
Basic earnings per share		
Profit attributable to equity shareholders of the Company	2,221.37	4,630.90
	2,221.37	**4,630.90**
Diluted earnings per share		
Profit attributable to equity shareholders of the Company		
Used in calculating basic EPS	2,221.37	4,630.90
Used in calculating diluted EPS	2,221.37	4,630.90
Profit used in calculating diluted earnings per share	**2,221.37**	**4,630.90**
<u>Weighted average number of shares used as the denominator :</u>		
Weighted average number of equity shares used as the denominator in calculating basic EPS	2,40,20,79,056	2,40,20,79,056
Adjustments for calculation of basic EPS		
effect of treasury shares	-	(3,30,30,682)
Weighted average number of equity shares used as the denominator in calculating basic EPS	**2,40,20,79,056**	**2,36,90,48,374**
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted EPS	**2,40,20,79,056**	**2,36,90,48,374**

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33 Capital management

Risk management

The Company's objectives when managing capital are to:

(i) 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

(ii) Maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors and creditors and to sustain future development and growth of its business. The Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity':

Adjusted net debt (total interest-bearing borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and bank deposits disclosed under other non-current financial assets)

divided by

Total equity (as shown in the Standalone Balance Sheet)

The gearing ratios were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Long term borrowings	39,638.34	44,686.56
Lease liabilities	567.33	586.25
Short term borrowings (including bank overdraft facility)	31,211.91	30,648.79
Total Borrowings	**71,417.58**	**75,921.60**
Less:		
Cash and cash equivalents	1,147.54	2,739.36
Bank balances other than cash and cash equivalents	-	30.39
Bank deposits disclosed under other financial assets	4,802.95	1,012.06
Net debt	65,467.09	72,139.79
Total equity	1,31,658.44	1,28,266.64
Net debt to equity ratio	0.50	0.56

Note: For the purpose of the Company's capital management, borrowings includes short term borrowings, long term borrowings [including intercompany loans] and lease liabilities.

34 Financial instruments

A Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Carrying value			Fair Value
	Balances at amortised cost	Balances at FVTOCI	Balances at FVTPL	
Financial assets				
Investments	-	734.78	-	734.78
Trade receivables	26,894.03	-	-	26,894.03
Cash and cash equivalents	1,147.54	-	-	1,147.54
Non current loans	24,072.33	-	-	24,072.33
Other non current financial assets	4,917.70	-	-	4,917.70
Other current financial assets	865.11	-	-	865.11
Financial liabilities				
Borrowings from banks (includes current maturities of long term debt)	70,850.25	-	-	70,850.25
Non current lease liabilities	301.99	-	-	301.99
Current lease liabilities	265.34	-	-	265.34
Trade payables	55,490.91	-	-	55,490.91
Derivative liabilities (Forward contract)	-	-	6.19	6.19
Other financial liabilities [excluding derivative liabilities]	4,869.71	-	-	4,869.71

The carrying value and fair value of financial instruments by each category as at March 31, 2024 were as follows:

Particulars	Carrying value			Fair Value
	Balances at amortised cost	Balances at FVTOCI	Balances at FVTPL	
Financial assets				
Investments	-	849.47	-	849.47
Trade receivables	28,634.63	-	-	28,634.63
Cash and cash equivalents	2,739.36	-	-	2,739.36
Bank balances other than cash and cash equivalents	30.39	-	-	30.39
Non current loans	18,779.16	-	-	18,779.16
Other non current financial assets	1,283.22	-	-	1,283.22
Other current financial assets	2,800.65	-	-	2,800.65
Financial liabilities				
Borrowings from banks (includes current maturities of Long term debt)	39,484.57	-	-	39,484.57
Borrowings from others	35,850.78	-	-	35,850.78
Non current lease liabilities	384.27	-	-	384.27
Current lease liabilities	201.98	-	-	201.98
Trade payables	69,523.45	-	-	69,523.45
Other financial liabilities [excluding derivative liabilities]	7,048.70	-	-	7,048.70

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34 Financial instruments [Contd.]

B Fair value hierarchy

The carrying value and fair value of financial instruments by hierarchy as at March 31, 2025 were as follows:

Particulars	Carrying value		Fair value	
	Balances at FVTOCI	Balances at FVTPL	Level 2	Level 3
Financial assets				
Investments	734.78	-	-	734.78
Financial liabilities				
Derivative liabilities (Forward contract)	-	6.19	6.19	-

The carrying value and fair value of financial instruments by hierarchy as at March 31, 2025 were as follows:

Particulars	Carrying value		Fair value	
	Balances at FVTOCI	Balances at FVTPL	Level 2	Level 3
Financial assets				
Investments	849.47	-	-	849.47

Movement in Level 3 financial instruments measured at fair value

Particulars	March 31, 2025	March 31, 2024
Balance as at the beginning of the year	849.47	849.47
Purchase	734.78	-
Transfers in or out of Level 3	-	-
Other comprehensive income	(849.47)	-
Balance as at end of the year	**734.78**	**849.47**

Measurement of fair values:

Valuation techniques and significant unobservable inputs

The following table show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as significant unobservable inputs used.

Type	Valuation technique
Financial assets and liabilities measured at fair value through profit or loss (Derivative instruments)	**Forward contracts:** The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit risk quality yield curves in the respective currency.
Financial assets and liabilities measured at amortised cost	**Discounted cash flows:** The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. For issued debt, the interest rate is derived from market observable date such as secondary prices for its external debt itself. Cash and cash equivalents, trade receivables, bank deposits, other financial assets, trade payables, lease liabilities and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature. Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
Financial assets and liabilities measured at fair value through other comprehensive income	Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost less impairment (if any), represents the best estimate of fair value within that range. Accordingly, there are no significant unobservable inputs. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The Company has chosen to designate these investments in equity instruments at FVTOCI as the management believe that provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit and loss.

The Company has not classified any financial asset or liability under level 1.

There has been no change in the valuation methodology for level 3 inputs during the year. There were no transfers between level 1 and level 2 during the year.

C Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities. The Company regularly reviews its foreign exchange forward positions both on a standalone basis and in conjunction with its underlying foreign currency related exposures and monitors the potential risk arising out of the market factors like exchange rates on a regular basis. The counterparty in these derivative instruments is a bank and the Company considers the risks of non-performance by the counterparty as non-material. The Company does not hold or issue derivative financial instruments for trading purposes. All the transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table presents the aggregate contracted principal amounts of the Company's derivative contracts outstanding:

Particulars	March 31, 2025	March 31, 2024
Forward contracts		
in USD million	2.99	-
Average rate	85.79	-
in INR lakh	2,565.12	-
Maturity profile	within 12 months	-

The following table sets out the fair value of derivatives held by the Company as at the end of the reporting period:

Particulars	March 31, 2025		March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Forward Contracts	-	6.19	-	-
Classification				
Non current	-	-	-	-
Current	-	6.19	-	

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35 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

1 Credit risk
2 Liquidity risk
3 Market risk
4 Commodity risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors, supported by finance, legal, compliance team and risk management committee, identify and analyse the risks faced by the Company, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The board is assisted in its oversight role by internal audit team. internal audit team undertakes reviews of risk management controls and procedures, the results of which are reported to the Board.

1 Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and it arises principally from the Company's trade receivables, treasury operations and related activities. The carrying amount of financial assets represent maximum exposure to credit risk. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred such as a breach of contract, significant financial difficulty, it is probable that debtor will enter bankruptcy or other financial reorganisation. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes background KYC verification, historical financial information of the customer's business, industry information, etc. (as applicable). The Company measures the amount of expected credit loss ['ECL'] on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default ['PD'], loss given default ['LGD'] and exposure at default ['EAD']. EAD represents the expected exposure in the event of a default. EAD represents the gross carrying amount of the financial instruments subject to the impairment calculation. LGD represents estimated financial loss the Company is likely to suffer in respect of default accounts and it is used to calculate provision requirement on EAD along with PD.

Trade and other receivables:

Management considers that the demographics of the Company's customer base, including the default risk of the industry in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Exposures to customers outstanding at the end of each reporting year are reviewed by the Company to determine incurred and expected credit losses. Historical trend of impairment of trade receivables do not reflect any significant credit losses. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

Loans to subsidiary

The Company has performed a cash flow recovery analysis in relation to the term loans and loans repayable on demand made to the subsidiary. Basis such analysis, the entire outstanding is recoverable and accordingly, the management assesses the impact of any expected credit loss to be immaterial. Further, with respect to the loans repayable on demand, the Company doesn't expect to call for the repayment of such loans within 12 months of the balance sheet date. Accordingly, such loans repayable on demand extended to the subsidiary has been classified as non-current loans.

Investments

The Company limits its exposure to credit risk by generally investing in securities with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Cash and cash equivalents:

Credit risk on cash and bank balances is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Exposure to credit risk

The carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2025 and March 31, 2024 was as follows:

Particulars	March 31, 2025	March 31, 2024
Investments	734.78	849.47
Trade receivables	26,894.03	28,634.63
Bank balances other than cash and cash equivalents	-	30.39
Loans	24,072.33	18,779.16
Other financial assets [current and non current]	5,782.81	4,083.87

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due other than trade receivables [refer note 8].

The ageing of trade receivables and allowances are given below:

	As at March 31, 2025			
Ageing	Gross carrying amount	Weighted average loss rate	Loss allowance	Net carrying value
Within the credit period	11,404.32	0.16%	18.11	11,386.21
0-1 months past due	8,308.44	0.27%	22.08	8,286.36
1-2 months past due	4,380.56	0.77%	33.85	4,346.71
2-3 months past due	1,465.64	1.54%	22.55	1,443.09
3 months and above	1,491.14	3.99%	59.48	1,431.66
Total	**27,050.10**		**156.07**	**26,894.03**

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35 Financial risk management [Contd.]

As at March 31, 2024

Ageing	Gross carrying amount	Weighted average loss rate	Loss allowance	Net carrying value
Within the credit period	14,874.03	0.08%	11.33	14,862.70
0-1 months past due	8,112.87	0.13%	10.63	8,102.24
1-2 months past due	3,857.86	0.37%	14.41	3,843.45
2-3 months past due	1,016.15	0.88%	8.98	1,007.17
3 months and above	831.66	1.51%	12.59	819.07
Total	**28,692.57**		**57.94**	**28,634.63**

There are no other trade receivables, loans and financial assets which have a significant increase in the credit risk other than those reported in note 8, note 9 and note 10

Financial assets that are neither past due nor impaired

Cash and cash equivalents, bank deposits and other financial assets are neither past due nor impaired.

Concentration of trade receivables

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	March 31, 2025	March 31, 2024
India	25,619.10	27,560.27
Outside India	1,274.93	1,074.36
Total	**26,894.03**	**28,634.63**

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

2 Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company' s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. In addition, the Company has concluded arrangements with well reputed banks and also plans to negotiate additional facilities for funding as and when required. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity. management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities

The following are the contractual maturities of financial liabilities, excluding estimated interest payments and excluding the impact of netting agreements. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Carrying amount	Contractual cash flows	0-12 Months	1-3 years	More than 3 years
As at March 31, 2025					
Non-derivative financial liabilities					
Long term borrowings from bank (including current maturities and accrued interest)	45,781.87	45,991.12	6,205.28	13,404.50	26,381.34
Lease liabilities	567.33	624.40	305.36	306.75	12.29
Short term facilities with bank	25,068.38	25,068.38	25,068.38	-	-
Trade payables	55,490.91	55,490.91	55,490.91	-	-
Other financial liabilities [refer note 21]	4,869.71	4,869.71	4,811.71	58.00	-
Derivative financial liabilities					
Forward contracts	6.19	6.19	6.19	-	-
As at March 31, 2024					
Non-derivative financial liabilities					
Long term borrowings from bank (including current maturities)	12,713.79	12,794.79	3,916.05	5,798.97	3,079.77
Borrowings from others [refer note 19e]	35,850.78	35,850.78	-	-	35,850.78
Lease liabilities	586.25	654.13	233.06	374.20	46.87
Short term facilities with bank	26,770.78	26,770.78	26,770.78	-	-
Trade payables	69,523.45	69,523.45	69,523.45	-	-
Other financial liabilities [refer note 21]	7,048.70	7,048.70	6,909.13	139.57	-

3 Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the Company's exposure to market risk is a function of borrowing activities as well as revenue generating and operating activities in foreign currencies.

a) Currency risk

The Company's exposure in USD and EUR transactions gives rise to exchange rate fluctuation risk. Company's policy in this regard incorporates:

- Forecasting inflows and outflows denominated in USD and EUR for a 12-month period.
- Estimating the net exposure in foreign currency, in terms of timing and amount.
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.

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35 Financial risk management [Contd.]

Sensitivity analysis below is made on the closing balances as on respective reporting dates.

The Company's exposure to foreign currency risk as at March 31, 2025 and March 31, 2024 was as follows:

Particulars	March 31, 2025		March 31, 2024	
	USD*	EUR*	USD*	EUR*
Cash and cash equivalents	14.11	-	44.43	-
Trade receivables	94.59	1,180.34	41.01	1,033.35
Trade payables	(13,072.58)	(6.39)	(29,756.60)	-
Other current assets	-	-	308.44	71.64
Other financial liabilities	(437.64)	(301.00)	(99.18)	(769.58)
Other current liabilities	-	-	(43.25)	-
Borrowings	-	-	(35,850.78)	-
Net balance sheet exposure	**(13,401.52)**	**872.95**	**(65,355.93)**	**335.41**

A 1% strengthening of the rupee against the respective currencies as at March 31, 2025 and March 31, 2024 would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for previous year.

Change in profit / (loss) and equity	March 31, 2025	March 31, 2024
USD*	134.02	653.56
EUR*	(8.73)	(3.35)

A 1% weakening of the rupee against the above currencies as at March 31, 2025 and March 31, 2024 would have had the equal but opposite effect on USD/EUR to the amounts shown above, on the basis that all other variables remain constant.

* The amounts disclosed above are in the functional and presentation currency (i.e., INR lakh)

b) Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments were as follows:

Particulars	Carrying amounts	
	March 31, 2025	March 31, 2024
I. Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	4,802.95	1,042.45
II. Variable rate instruments		
Financial assets		
- Loans to subsidiary	24,072.33	18,779.16
Financial liabilities		
- Borrowings from banks (including overdrafts)	70,850.25	39,484.57
- Borrowings from others	-	35,850.78

Cash flow sensitivity for fixed rate instruments-

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss as the effective interest rates equates the fair value.

Cash flow sensitivity for variable rate instruments-

An increase of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit/loss by the amounts shown below. A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown below, on the basis that all other variables remain constant.

Particulars	March 31, 2025		March 31, 2024	
	100bp increase	100bp decrease	100bp increase	100bp decrease
Profit/(loss) and equity - (Variable rate liabilities)	(532.11)	532.11	(774.89)	774.89
Profit/(loss) and equity - (Variable rate assets)	202.15	(202.15)	179.42	(179.42)

4 Commodity price risk

The Company doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

36 Leases

Operating lease: company as lessee (as per IND AS 116)

The Company has entered into various lease arrangements relating to office premises, warehouses, laptops and vehicles. These leases are for a duration of less than twelve months or leases of low values. These arrangements are cancellable in nature and do not have any lock in period, accordingly future minimum lease payments are not disclosed. Amount of INR 855.08 lakh [March 31, 2024: INR 920.61 lakh] is recorded in Standalone Statement of Profit and Loss [refer note 31].

37 Segment information

The Company is in the business of manufacturing special steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker (Board of directors) for assessment of company's performance and resource allocation.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

a) Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	2,25,237.19	1,95,819.45
Africa	2,624.21	4,395.16
Europe	255.07	1,175.22
Asia other than India	590.74	472.38
Total	**2,28,707.21**	**2,01,862.21**

b) Non current assets

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

c) Customers contributing more than 10% of revenue

The Company is not reliant on revenue from transactions from single external customer and does not receive 10% or more of its revenue from transactions with any single external customer.

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38 Related party disclosures

A Names of related parties and related party relationship:

Name	**Relationship**
a) Parent information	
Skand Private Limited	Ultimate holding Company with effect from November 11, 2024
The Sandur Manganese & Iron Ores Limited	Holding Company with effect from November 11, 2024
ADV Partners Pte Limited, Singapore	Ultimate holding Company till November 10, 2024
Blue Coral Investment Holdings Pte Ltd, Singapore	Intermediary holding Company till November 10, 2024
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	Immediate holding Company till November 10, 2024
b) Subsidiaries	
Arjas Modern Steel Private Limited	Subsidiary Company
c) Key management personnel	
Bahirji Ajai Ghorpade	Chairman and Non-executive director with effect from November 11, 2024 to March 20, 2025, Chairman and Managing Director with effect from March 21, 2025
Uttam Kumar Bhageria	Non-executive director with effect from November 11, 2024 to March 20, 2025 and Executive Director with effect from March 21, 2025
Sridhar Krishnamoorthy	Managing Director till December 18, 2024
Ramaswamy Visweswaran	Whole Time Director till December 18, 2024
Anand Pasupuleti	Chief Executive Officer with effect from December 11, 2024
Sham Krishna	Chief Financial Officer
Satyanarayan Mohanty	Company Secretary
Suresh Eshwara Prabhala	Director till November 11, 2024
Gaurav Pawan Kumar Podar	Director till November 11, 2024
d) Directors	
Gregor Johannes Muenstermann	Independent Director
Dr Aruna Sharma	Independent Director
Ajay Hari Tandon	Independent Director
Gururaj Pandurang Kundargi	Independent Director with effect from November 11, 2024
Anand Sen	Independent Director with effect from November 11, 2024
e) Employee benefit trust	
Arjas Steel Employee Benefit Trust	Controlled Trust [refer note (ii) below]
f) Entity over which key managerial personnel or their relative have significant influence	
Lohagiri Industrial Private Limited	Related party with effect from November 11, 2024
g) Entity in which Company has invested more than twenty percentage of their equity	
Amplus Arjas Solar Private Limited	Refer note (v) below

B Transactions with related parties:

The following table provides the total transactions that have been entered into with related parties for the relevant financial year:

Particulars	**Year ended March 31, 2025**	**Year ended March 31, 2024**
a) Interest on loan		
Blue Coral Investment Holdings Pte Ltd, Singapore	1,346.89	2,346.96
b) Short term employee benefits		
Remuneration to key management personnel [refer note (vi) below]	651.82	570.23
c) Others		
Reimbursements to key management personnel	13.31	16.54
Sitting fees and commission to independent directors	86.20	66.95
d) Loans repaid		
Blue Coral Investment Holdings Pte Ltd, Singapore	36,313.07	8,221.69
e) Recovery of expenses incurred by us on their behalf		
Arjas Modern Steel Private Limited	-	14.39
f) Loans given		
Arjas Modern Steel Private Limited	3,607.58	1,500.00
g) Investment		
Amplus Arjas Solar Private Limited	734.78	-
h) Guarantee commission income		
Arjas Modern Steel Private Limited [refer note (iv) below]	249.94	250.24
i) Interest income on inter corporate loan		
Arjas Modern Steel Private Limited	1,872.88	1,639.37
j) Purchases and expenses		
Arjas Modern Steel Private Limited	1.90	16.50
The Sandur Manganese & Iron Ores Limited	1,596.38	-
Lohagiri Industrial Private Limited	107.56	-

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38 Related party disclosures (Contd.)
Transactions with related parties:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
k) Power and fuel		
Amplus Arjas Solar Private Limited	294.61	-
l) Sales		
Arjas Modern Steel Private Limited	-	58.14
m) Interest expenses		
The Sandur Manganese & Iron Ores Limited	0.34	-
n) Income from support services		
Arjas Modern Steel Private Limited	220.38	132.76
C Amount payable / receivable from related parties:		
a) Borrowings		
Blue Coral Investment Holdings Pte Ltd, Singapore	-	35,850.78
b) Recoverable for expenses incurred by us on their behalf		
Arjas Modern Steel Private Limited	-	124.12
c) Loans receivable [including accrued interest]		
Arjas Modern Steel Private Limited (refer note (iii) below)	24,072.33	20,940.39
d) Interest accrued payable		
Blue Coral Investment Holdings Pte Ltd, Singapore	-	204.62
The Sandur Manganese & Iron Ores Limited	0.34	-
e) Guarantee commission receivable		
Arjas Modern Steel Private Limited	565.20	250.24
f) Trade receivable [including unbilled revenue]		
Arjas Modern Steel Private Limited	381.38	154.55
g) Trade payable		
Arjas Modern Steel Private Limited	2.24	11.18
Lohagiri Industrial Private Limited	69.96	-
Amplus Arjas Solar Private Limited	294.48	-
h) Guarantees provided by the Company on behalf		
Arjas Modern Steel Private Limited (refer note (iv) below)	25,000.00	25,000.00
i) Investments		
Arjas Modern Steel Private Limited	1,500.00	1,500.00
Amplus Arjas Solar Private Limited	734.78	-
j) Commission and sitting fees payable	32.55	26.50
k) Security deposits		
The Sandur Manganese & Iron Ores Limited	20.03	-
l) Equity share capital		
The Sandur Manganese & Iron Ores Limited	2,37,651.98	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	-	2,34,792.72

Notes

(i) Outstanding balances at the year end are unsecured and settlement occurs in cash.

(ii) The assets and liabilities of the aforesaid trust have been accounted for as the assets and liabilities of the Company on the basis that such trust is merely acting as the agent of the Company.

(iii) During the year an unsecured loan of INR 3,607.58 lakh [March 31, 2024: INR 1,500.00 lakh] was advanced to Arjas Modern Steel Private Limited [refer note 9] and the outstanding balance as on March 31, 2025 was INR 22,386.74 lakh [March 31, 2024: INR 18,779.16 lakh]. The interest and repayment terms of the outstanding are as below:

(a) INR 3,431.16 lakh [March 31, 2024: INR 3,431.16 lakh] of unsecured term loan bearing interest rate of 9.60% [March 31, 2024: 9.15%-9.60%] reset as per interest rate of loans availed by the Company from its lenders repayable vide single bullet payment on March 31, 2031.

(b) INR 18,955.58 lakh [March 31, 2024: INR 15,298.00 lakh] of unsecured loan bearing interest rate of 8.91%-9.29% [March 31, 2024: 8.91%-9.29%] reset as per interest rate of working capital loans availed by the subsidiary repayable on demand.

Movement of loan to subsidiary

Particulars	March 31, 2025	March 31, 2024
Balance at beginning of the year	20,940.39	17,279.16
Add: Loan given during the year	3,607.58	1,500.00
Add: Interest accrued during the year	1,685.59	2,161.23
Less: Interest received during the year	(2,161.23)	-
Balance at end of the year	**24,072.33**	**20,940.39**
Maximum loan outstanding (including accrued interest) during the year	24,072.33	20,940.39

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38 Related party disclosures [Contd.]

(iv) The Company provided corporate guarantee of INR 25,000.00 lakh towards credit facilities availed by the subsidiary from their bankers and valid till February 10, 2027. Commission at the rate of 1% has been charged on such guarantee provided.

(v) The investment in Amplus Arjas Solar Private Limited [AASPL] is not accounted as "Investment in Associate" as the Company does not have any significant influence over AASPL as it will not be involved in the management of AASPL and it will not appoint/nominate any directors in AASPL.

(vi) Post employment benefits: The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

(vii) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There is no amounts receivable/ payable in respect of the related parties have been written off/ back during the year.

39 Capital and other commitments [to the extent not provided for]

The Company has a process whereby all long term contracts are assessed for material losses. The Company did not have any long-term contracts including derivative contracts for which there were no foreseeable losses.

	As at	
	March 31, 2025	**March 31, 2024**
Estimated amount of contracts remaining to be executed on capital account		
Property, plant and equipment	3,731.30	13,380.53
Intangible assets	30.95	13.61
	3,762.25	13,394.14

The Company has issued a letter of financial support to its wholly owned subsidiary Company in order to meet the shortfall in its fund requirements over banks and other borrowings (including working capital loans extended by the Company) to meet out the projects which are in progress and other liabilities including loans from the Company, for a period of not less than 12 months from the date of financial closure of accounts of the subsidiary for the year ended March 31, 2025.

40 Contingent liabilities	As at	
	March 31, 2025	**March 31, 2024**
Claims against the Company not acknowledged as debts in respect of		
Service tax	100.22	100.22
Income tax	-	16.10
Goods and service tax	325.54	302.74
Sales tax	1,894.89	1,894.89
Value added tax	253.49	598.02
Entry tax	690.56	690.56
Others [refer note (ii) below]	185.16	178.65
	3,449.86	3,781.18

(i) The Company is involved in various legal proceedings, including claims against the Company pertaining to income tax, excise, service tax, sales tax value added tax, entry tax and other regulatory matters relating to conduct of its business.

(ii) Others represents claims against the Company not acknowledged as debts in respect of land disputes, labour disputes, electricity matters and other litigations.

(iii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the standalone financial statements. Regarding the amounts disclosed above it is not practicable to disclose the information on the possibility of any reimbursement as it is determinable only on occurrence of any future events.

(iii) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Future cash flow in respect of the above, if any, is determinable only on receipt of judgement/ decisions pending with relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

41 Employee benefit plans

(i) Defined contribution plan

In accordance with the law, all employees of the Company are entitled to receive benefits under the provident and pension fund. Under defined contribution plan, provident and pension are contributed to the government administrated provident fund. The Company has no obligation other than the contribution to the provident and pension fund.

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in note 28: INR 526.05 lakh [March 31, 2024: INR 497.45 lakh]

(ii) Defined benefit plans

Gratuity

The Company operates post-employment defined benefit plan that provides gratuity, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy. These defined benefit plan expose the Company to actuarial risks, such as interest rate risk, salary escalation risk, demographic risk etc.

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Notes to Standalone Financial Statements for the year ended March 31, 2025 [Contd.] (all amounts are rupees in lakh, unless otherwise stated)

41 Employee benefit plans [Contd.]

Risk exposure to defined benefit plans

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 standalone financial statements).

Salary escalation risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants 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 assumptions in valuation of the liability and there is a risk that these may change.

Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

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.

Variability in withdrawal rates:

If actual withdrawal rates are higher than assumed withdrawal rate assumptions, the gratuity benefits will be paid extra than evaluated. The impact of this will depend on where benefits are vested as at resignation date.

Balances of defined benefit plan

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	1,511.56	1,390.43
Fair value of plan assets	701.21	782.39
Net liability arising from gratuity	**(810.35)**	**(608.04)**
Non current	(810.35)	(608.04)
Current	-	-

Expenses recognised for defined benefit plan and movement of plan assets and liabilities

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2025. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's standalone financial statements as at balance sheet date:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Components of expense recognised in the Standalone Statement of Profit and Loss		
Current service cost	148.30	139.25
Interest on net defined benefit liability/ (asset)	43.45	29.95
Total (A)	**191.75**	**169.20**
B. Components of defined benefit costs recognised in other comprehensive income		
Remeasurement on the net defined benefit liability:		
-Return on plan assets (excluding amounts included in net interest expense)	4.51	0.52
-Actuarial (gains) and losses arising from changes in demographic assumptions	17.03	(62.18)
-Actuarial (gains) and losses arising from changes in financial assumptions	(11.55)	85.73
-Actuarial (gains) and losses arising from experience adjustments	1.05	12.77
Total (B)	**11.04**	**36.84**
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	1,390.43	1,264.76
Current service cost	148.30	139.25
Interest cost	99.35	92.52
Remeasurement (gains)/losses:		
-Actuarial (gains) and losses arising from changes in demographic assumptions	17.03	(62.18)
-Actuarial (gains) and losses arising from changes in financial assumptions	(11.55)	85.73
-Actuarial (gains) and losses arising from experience adjustments	1.05	12.77
Benefits paid	(133.05)	(142.42)
Closing defined benefit obligation (C)	**1,511.56**	**1,390.43**
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	782.38	855.24
Investment income (Interest)	55.90	62.57
Remeasurement gain (loss):		
-Return on plan assets (excluding amounts included in net interest expense)	(4.51)	(0.52)
Contributions from employer	0.49	7.51
Benefits paid	(133.05)	(142.42)
Closing fair value of plan assets (D)	**701.21**	**782.38**

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41 Employee benefit plans [Contd.]

Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Insurer managed funds	100%	100%
Maturity profile of defined benefit obligation		
Weighted average duration (based on discounted cashflows)	5 years	5 years
Expected cash flows over the next (valued on undiscounted basis):	**Amount in INR**	
1 year	225.55	222.97
2 to 5 years	807.77	767.66
6 to 10 years	635.07	626.22
More than 10 years	646.29	565.61

Fund is managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available.

The above plan assets are unquoted instruments.

(iii) Other long term benefits [Compensated absences]

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future years. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees.

Expenses in Standalone Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Leave encashment	21.24	159.32
Total	**21.24**	**159.32**

Liability as at balance sheet date

Particulars	As at March 31, 2025	As at March 31, 2024
Non current	-	-
Current	795.69	1,230.09
Total	**795.69**	**1,230.09**

Sensitivity analysis:

Significant actuarial assumptions 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 possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Defined benefit obligation for decrease in % of assumption	Defined benefit obligation for increase in % of assumption	Defined benefit obligation for decrease in % of assumption	Defined benefit obligation for increase in % of assumption
Discount rate (- / +1%)	1,600.78	(1,430.90)	1,468.27	(1,319.76)
(% change compared to base due to sensitivity)	5.90%	(5.34%)	5.60%	(5.08%)
Salary growth rate (- / +1%)	(1,437.65)	1,589.76	(1,325.90)	1,458.36
(% change compared to base due to sensitivity)	(4.89%)	5.17%	(4.64%)	4.89%
Attrition rate (- / +50% of attrition rates)	1,630.12	(1,443.55)	1,511.36	(1,324.26)
(% change compared to base due to sensitivity)	7.84%	(4.50%)	8.70%	(4.76%)
Mortality rate (- / +10% of mortality rates)	1,511.87	(1,511.23)	1,390.71	(1,390.15)
(% change compared to base due to sensitivity)	0.02%	(0.02%)	0.02%	(0.02%)

The best estimate of the expected contribution for the next year amounts to INR 810.35 lakh [March 31, 2024: INR 745.50 lakh].

Principal assumptions

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For Gratuity March 31, 2025	For Gratuity March 31, 2024	For Other long term benefits March 31, 2025	For Other long term benefits March 31, 2024
1. Discount rate	6.50%	7.15%	6.50%	7.15%
2. Salary escalation	10.00%	10.66%	10.00%	10.66%
3. Withdrawal rate	14.00%	15.23%	14.00%	15.23%
4. Retirement age	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(iii) Assumptions regarding future mortality and experience are set in accordance with published rates under Indian assured lives mortality 2012-2014 [March 31, 2024: 2012-2014].

(iv) 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 part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

ARJAS STEEL PRIVATE LIMITED BENGALURU

42 Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance
Current Ratio	Total current assets	Total current liabilities	0.90	1.10	(17.72%)
Debt equity ratio	Total debt including Lease liabilities	Total equity	0.54	0.59	(8.36%)
Debt service coverage ratio	Earning for Debt Service = Net profit/(loss) after taxes + Non-cash income and expenses + finance cost	Debt service = Interest and lease payments + Principal repayments	0.45	0.97	(54.00%)
	[the ratio is decreased compared to previous year primarily due to principal repayment of ECB loan availed from erstwhile holding company amounting to INR 36,313.07 lakh during the year]				
Return on Equity	Net profit/(loss) for the year	Average total equity	1.71%	3.68%	(53.54%)
	[the ratio is decreased compared to previous year due to decrease in earnings during the period primarily on account of fluctuation in Alloy Bar prices]				
Inventory turnover ratio	Cost of goods sold = Cost of materials consumed + Changes in inventories of finished goods, semi finished goods and work-in-progress.	Average Inventory	2.28	1.83	24.57%
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	8.24	6.56	25.50%
	[the ratio is increased compared to previous year mainly due to reduction in average trade receivables.]				
Trade payables turnover ratio	Net credit purchases	Average trade payable	2.09	2.38	(12.04%)
Net capital turnover ratio	Revenue from operations	Average working capital	418.63	13.35	3035.51%
	[the ratio has increased due to more than proportionate decrease in average working capital when compared to increase in revenue]				
Net profit ratio	Net profit/(loss) for the year	Revenue from operations	0.97%	2.29%	(57.66%)
	[the ratio is decreased compared to previous year due to decrease in earnings during the period primarily on account of fluctuation in Alloy Bar prices]				
Return on capital employed (ROCE)	Profit/(loss) before tax and finance cost	Capital employed = Net worth + Borrowings + Lease liabilities	4.89%	5.73%	(14.62%)
Return on investment (Other than investments in subsidiaries)	Income earned on investments	Average investments for the period	0.00%	0.00%	0.00%

43 Additional disclosures required by Schedule III to the Companies Act, 2013;

(i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

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

(v) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall: directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the companies act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(viii) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the companies act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Company has not entered into any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended March 31, 2025.

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

44 (a) Daily back-up: The Companies (Accounts) Amendments Rules 2022 mandates maintenance of backup of Company's books of account and other books and papers maintained in electronic mode on servers physically located in India on a daily basis. The Company uses accounting software for maintaining its books of account and has maintained back-up of such books of account on a daily basis in a server physically located in India except for certain payroll records wherein back-up is not stored in a server physically located in India.

(b) Audit trail: The Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of account. The Company uses accounting software for maintaining its books of account for the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

- in respect of one software, the audit trail feature was not enabled for certain critical tables/master records throughout the year and audit trail was not enabled at the database level to log any direct data changes. The Company is in the process of complying with the requirements of enabling the audit trail feature as required for certain critical tables/master records for the software.
- in respect of another software operated by a third-party software service provider and used by the Company for maintaining certain payroll records, the independent auditor's system and organisation controls reports does not cover audit trail related reporting. The Company is in process of discussing with the third party software provider to include the audit trail related reporting in the independent auditor's system and organisation controls report.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

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45 The Company had given a loan of INR 962.10 lakh to Arjas Steel Employee Benefit Trust ['Trust'] formed vide Trust Deed executed on November 12, 2019. The above trust was incorporated primarily for the purposes of implementing an employee stock option plan ['ESOP']. During the year ended March 31, 2020, the above trust purchased 56,28,860 equity shares of INR 10 each and 1,75,90,189 0.1% non - cumulative redeemable preference shares of INR 10 each of the Company, held by erstwhile directors cum shareholders of the Company and their relatives for an aggregate consideration of INR 961.73 lakh. During the year ended March 31, 2022, these non-cumulative redeemable preference shares were converted into equity shares of INR 10 each.

The trust is a distinct legal entity created primarily for the purpose of implementing the above ESOP scheme and the shares purchased by it during the year ended March 31, 2020 are solely for the purpose of issuance to employees under the ESOP Scheme. Since, the Trust is acting as an agent of the Company solely for the purpose of aforesaid Scheme, the assets and liabilities of the Trust have been accounted for as the assets and liabilities of the Company. The equity shares held by the Trust is disclosed as treasury shares in the equity.

During the year ended March 31, 2022, the equity shareholders of the Company approved the Arjas Employee Stock Option Scheme 2022 and creation and grant of 3,30,30,682 (three crore thirty lakh thirty thousand six hundred and eighty-two) options to identified employees of the Company under the Arjas Employee Stock Option Scheme 2022.

During the current year, pursuant to the Share Purchase Agreement, the equity shares held by the Trust is sold to The Sandur Manganese & Iron Ores Limited for a net consideration of INR 2,660.79 lakh resulting in a gain of INR 1,441.92 lakh [net of capital gain tax paid by the Trust] which is being recognized in securities premium account. Consequently, the options granted to the employees have lapsed during the year. Accordingly, the Company has reversed INR 372.70 lakh of share-based payment expenses recorded till March 31, 2024 with a corresponding debit to equity settled share based payment reserve.

In terms of the Scheme, the employees are eligible to receive Trust Distributable amount (representing consideration received by the Trust, net of taxes and other liabilities of the Trust) subject to their continuing employment with the Company for the specified period. Accordingly, the Company has recognized INR 950 lakh of Trust Distributable amount as share-based payment expense.

A Share based payment plan

The following tables provides the disclosures as required by Ind AS 102 'Share based payments'.

Arjas Employee Stock Option	Options
No. of options granted	3,30,30,682
Grant date	July 5, 2022
Grant price (INR per share)	10.1
Fair Value of shares on the date of grant (INR per share)	6.5
Method of settlement	Equity
Method of Accounting	Fair value
Graded vesting plan	Vesting of the options shall be in a single instalment
Normal exercise period	The exercise can be done after 5 years from the date of vesting or at the change in control event

B Movement of option activity under employee share option plan and changes for year ended March 31, 2025

Particulars	Share Options	Weighted average exercise price	Weighted average remaining contractual term	Weighted average intrinsic value
Stock options outstanding as at April 1, 2024	3,30,30,682	10.10	5.26	-
Stock options granted	-	-	-	-
Stock options forfeited/lapsed	(3,30,30,682)	(10.10)	(5.26)	-
Stock options surrender	-	-	-	-
Stock options exercised	-	-	-	-
Stock options outstanding as at March 31, 2025	-	-	-	-
Stock options exercisable as at March 31, 2025	-	-	-	-
Stock options unvested as at March 31, 2025	-	-	-	-
Weighted average fair value as on grant date of the options outstanding				-

The expense recognised in the Standalone Statement of Profit and Loss during the year is INR 577.30 lakh [March 31, 2024: INR 214.62 lakh].

During the year The Sandur Manganese & Iron Ores Limited purchased the shares held with Arjas Employee Benefit Trust.

Particulars	Share Options	Weighted average exercise price	Weighted average remaining contractual term	Weighted average intrinsic value
Stock options outstanding as at April 1, 2023	3,30,30,682	10.10	5.26	-
Stock options granted	-	-	-	-
Stock options forfeited/lapsed	-	-	-	-
Stock options surrender	-	-	-	-
Stock options exercised	-	-	-	-
Stock options outstanding as at March 31, 2024	**3,30,30,682**	**10.10**	**5.26**	-
Stock options exercisable as at March 31, 2024	-	-	-	-
Stock options unvested as at March 31, 2024	3,30,30,682	10.10	5.26	-
Weighted average fair value as on grant date of the options outstanding				**3.25**

C Fair valuation and assumptions

The fair valuation of the employee stock option plan granted has been estimated using Black-Scholes model of pricing. The key assumptions for calculating the fair value as on the grant are:

Arjas Employee Stock Option	Options
Method used	Black-Scholes model
Risk-free rate	7.37%
Option life [Years]	One year from date of vesting and date of vesting is 5 years from the date of grant
Expected volatility*	55.00%
Dividend yield	0%

* Expected volatility is determined based on the observed historical volatility of listed competitors/comparable companies, allowing for the fact that Company is not listed.

46 Corporate social responsibility

As per the provisions of section 135 of the Act and Companies (CSR Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility (CSR) Committee. In pursuance of the Act, the Company is required to spend at least 2% of the average net profits made during the three immediately preceding financial years on CSR.

The aggregate amount of expenditure incurred during the year by the Company on Corporate Social Responsibility (CSR) is INR 284.10 lakh [March 31, 2024: INR 374.84 lakh] and is shown separately under note 31 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

Details of CSR expenditure

		March 31, 2025	March 31, 2024
(i)	(a) Gross amount required to be spent during the year	284.10	371.35
	(b) Amount spent by the Company during the year	250.12	374.84
	(c) (Excess)/Shortfall at the end of the year [(c) =(a)-(b)]	33.98 [refer note (iii) below]	(3.49)
	(d) Total of previous year shortfall	-	-
	(f) Reason of shortfall	Ongoing projects	NA
	(g) Details of transaction with related party	-	-

		In cash	Yet to be paid in cash	Total
(ii)	**(a) Amount spent during the year ending on March 31, 2025**			
	i) Construction/acquisition of any asset	-	-	-
	ii) On purposes other than (i) above	250.12	33.98	284.10
	(b) Amount spent during the year ending on March 31, 2024	**In cash**	**Yet to be paid in cash**	**Total**
	i) Construction/acquisition of any asset	-	-	-
	ii) On purposes other than (i) above	261.62	113.22	374.84

(c) Category of spend other than construction/acquisition of any asset for the year ending on March 31, 2025 and March 31, 2024

Disaster Management
Promotion of Games and Sports
Medical and Health
Education
Community Development
Environment

(iii) The Company has transferred INR 33.98 lakh to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

47 The State Government of Andhra Pradesh has approved a special package of incentives under mega project concept of Industrial Investment Promotion Policy (IIPP) 2010-15 to the Company for their expansion and diversification project in Anantapur, as per which the Company is entitled to 50% VAT/CST reimbursement for a period of 5 years from the date of commencement of commercial production on the end products viz. bars and rods. The Company has filed the necessary forms in this regard up to March 2018 within the applicable timelines.

As at March 31, 2024, the carrying value of government grant receivable was INR 612.03 lakh and corresponding deferred government grant was INR 398.19 lakh. During the current year, the management has re-assessed the recoverability of the receivables and created provision of INR 213.84 lakh [net of deferred government grant INR 398.19 lakh].

48 The financial statements of the Company for the year ended March 31, 2024 were audited by erstwhile auditors B S R & Co. LLP [Firm Registration Number: 101248W/W-100022].

49 The management has evaluated subsequent events till May 19, 2025 and determined that there were no such events requiring recognition or disclosure in the standalone financial statments.

The standalone financial statements of the Company for the year ended March 31, 2025 were recommended by Audit Committee and authorized for issue by the Company's Board of Directors.

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Bahirji . A . Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Deloitte
Haskins & Sells

Chartered Accountants
Prestige Trade Tower, Level 19
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Karnataka, India

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INDEPENDENT AUDITOR'S REPORT

To The Members of Arjas Steel Private Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arjas Steel Private Limited (the "Parent Company") and its subsidiary, (the Parent Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis Report and Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will 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 identified above when it becomes available and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Management Discussion & Analysis Report and Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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.

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

- Identify and assess the risks of material misstatement of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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 entity or business activities within the Group 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 entity or business activities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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.

We communicate with those charged with governance of the Parent 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 financial controls that we identify during our audit.

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

Other Matters

The consolidated financial statements of the Parent Company for the year ended March 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on June 7, 2024.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 by the Group, so far as it appears from our examination of those books, except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India by the Parent Company and its subsidiary, (refer Note 42 to the consolidated financial statements) and (b) in relation to compliance with the requirements of audit trail, refer paragraph (k)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) On the basis of the written representations received from the directors of the Parent Company and its subsidiary company as on March 31, 2025 taken on record by the Board of Directors of the Parent Company and subsidiary company respectively, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

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

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 on the consolidated financial position of the Group - Refer Note 40 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.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its subsidiary company incorporated in India.

iv) (a) The respective Managements of the Parent Company and its subsidiary company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 43(iv) to the consolidated financial statements, 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 Parent Company or subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or subsidiary company, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its subsidiary company, incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, as disclosed in the note 43(v) to the consolidated financial statements, no funds have been received by the Parent Company or subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiary company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures 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 sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Parent Company and its subsidiary company incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Based on our examination, which included test checks, the Parent Company and its subsidiary company incorporated in India have used accounting software for maintaining their books of account for the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

- in respect of one software, the audit trail feature was not enabled for certain critical tables/master records throughout the year and audit trail was not enabled at the database level to log any direct data changes. During the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of tables/records for which the audit trail feature was enabled and operating. Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Parent Company and its subsidiary Company incorporated in India as per the statutory requirements for record retention, as stated in Note 44 to the financial statements.

- In respect of software operated by a third party software service provider for maintaining payroll records, in the absence of an independent auditor's System and Organisation Controls report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software and whether there were any instances of the audit trail feature been tampered with (Refer Note 44 of the financial statements). Additionally, in absence of the independent auditor's System and Organisation Controls report covering the audit trail requirement, we are unable to comment whether the audit trail has been preserved by the Parent Company and its subsidiary company incorporated in India as per the statutory requirements for record retention for the year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the subsidiary company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Arjas Steel Private Limited	U27109AP1993PTC015499	Parent Company	Clause (iii)(c) Clause (ix)(a) Clause (ix)(d)
Arjas Modern Steel Private Limited	U27205PB2020PTC052289	Subsidiary Company	Clause ix(a) Clause ix(d) Clause (xvii)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 25047840BMRJUT4725

Place: Bengaluru
Date: May 19, 2025
Ref: MP/MS/HG/RD/2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report 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 Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Arjas Steel Private Limited (hereinafter referred to as "the Parent Company") and its subsidiary company which is a company incorporated in India, as of that date.

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

The respective Company's management and Board of Directors of the Parent company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company and its subsidiary company which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent Company and its subsidiary company which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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 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 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 consolidated financial statements

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.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 25047840BMRJUT4725

Place: Bengaluru
Date: May 19, 2025
Ref: MP/MS/HG/RD/2025

Arjas Steel Private Limited
Consolidated Balance Sheet as at March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	1,38,082.16	1,21,883.88
(b) Right of use assets	5A	602.06	646.88
(c) Capital work-in-progress	4	25,132.68	29,972.88
(d) Goodwill	7	447.15	447.15
(e) Other intangible assets	6	533.64	355.22
(f) Financial assets			
(i) Investments	8	734.78	849.47
(ii) Other financial assets	10	5,444.19	1,705.34
(g) Income tax assets (net)	12	633.97	752.79
(h) Other non-current assets	13	4,912.24	5,344.60
Total non-current assets		**1,76,522.87**	**1,61,958.21**
Current assets			
(a) Inventories	14	63,265.55	92,603.65
(b) Financial assets			
(i) Trade receivables	9	37,330.63	38,656.15
(ii) Cash and cash equivalents	15	1,148.39	2,998.08
(iii) Bank balances other than cash and cash equivalents	16	-	35.57
(iv) Other financial assets	10	248.00	177.17
(c) Other current assets	13	2,447.95	2,636.08
Total current assets		**1,04,440.52**	**1,37,106.70**
Total assets		**2,80,963.39**	**2,99,064.91**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	2,40,207.91	2,40,207.91
(b) Other equity	18	(1,19,866.45)	(1,19,450.60)
Total equity		**1,20,341.46**	**1,20,757.31**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	41,479.45	49,265.56
(ii) Lease liabilities	5B	310.69	396.55
(iii) Other financial liabilities	21	114.58	77.05
(b) Provisions	22	344.38	996.56
(c) Other non-current liabilities	23	1,208.54	353.95
Total non-current liabilities		**43,457.64**	**51,089.67**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	44,683.70	40,681.48
(ii) Lease liabilities	5B	268.92	205.23
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	9,662.22	13,110.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	53,151.93	62,084.81
(iv) Other financial liabilities	21	4,901.17	7,993.52
(b) Provisions	22	1,316.24	1,737.81
(c) Other current liabilities	23	3,180.11	1,405.04
Total current liabilities		**1,17,164.29**	**1,27,217.93**
Total equity and liabilities		**2,80,963.39**	**2,99,064.91**
Material accounting policies	3		

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership Number: 047840]

Date: May 19, 2025
Place: Bengaluru

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji.A.Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Consolidated Statement of Profit and Loss for year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	year ended	
		March 31, 2025	March 31, 2024
Revenue from operations	24	2,88,361.26	2,60,807.03
Other income	25	1,076.18	1,811.11
Total income		**2,89,437.44**	**2,62,618.14**
Expenses			
Cost of materials consumed	26	1,73,297.14	1,98,158.05
Changes in inventories of finished goods, semi finished goods and work-in-progress	27	24,372.82	(24,962.82)
Employee benefits expense	28	13,480.56	12,852.05
Finance costs	29	9,535.16	8,874.30
Depreciation and amortization expense	30	11,070.62	9,890.97
Other expenses	31	59,330.57	54,524.49
Total expenses		**2,91,086.87**	**2,59,337.04**
Profit/(loss) before tax		**(1,649.43)**	**3,281.10**
Tax expenses			
Current tax	11	-	-
Deferred tax	11	-	-
Profit/(loss) for the year		**(1,649.43)**	**3,281.10**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the defined benefit plans		52.10	(132.37)
Equity instruments through other comprehensive income		(849.47)	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income/(loss)		**(797.37)**	**(132.37)**
Total comprehensive income for the year		**(2,446.80)**	**3,148.73**
Earnings per equity share of INR 10 each:	32		
Basic (in INR absolute numbers)		(0.07)	0.14
Diluted (in INR absolute numbers)		(0.07)	0.14
Material accounting policies	3		

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership Number: 047840]

Date: May 19, 2025
Place: Bengaluru

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji A. Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities			
Net profit/(loss) before tax		**(1,649.43)**	**3,281.10**
Adjustments for:			
Depreciation and amortization expense	30	11,070.62	9,890.98
Gain on disposal of property, plant and equipment	25	(1.26)	(16.01)
Property, plant and equipment written off	31	602.98	1,390.12
Income from government grant	25	-	(44.24)
Change in fair value of financial instruments at FVTPL	25	6.19	-
Accrual/(reversal) of provision for slow moving and obsolete inventory		-	(485.86)
Advance to vendors written off		-	35.04
Loss allowance/(reversal) towards ECL on trade receivable		139.66	(86.99)
Provision towards doubtful assets and advances		241.85	4.93
Share based payment to employees	28	577.30	214.62
Finance costs	29	9,535.16	8,874.30
Liabilities no longer required written back	25	(26.83)	(1,121.13)
Interest income on loans given, balances with banks	25	(185.11)	(306.74)
Interest income from other deposits	25	(118.26)	-
Unrealised foreign currency (gain)/loss		(70.43)	573.16
Operating profit before working capital changes		20,122.44	22,203.28
Adjustments for (increase)/ decrease in operating assets:			
Trade receivables		628.99	4,215.75
Inventories		29,338.10	(19,894.84)
Other financial assets		(543.71)	(2,450.83)
Other current assets		290.68	773.69
Other non-current assets		(454.23)	(370.18)
Adjustments for increase/ (decrease) in operating liabilities:			
Trade payables		(11,976.85)	8,812.19
Provisions		(413.61)	270.90
Other financial liabilities		(709.78)	2,664.16
Other non current liabilities		258.34	1,114.44
Other current liabilities		1,488.56	(1,446.87)
Cash generated from operations		38,028.93	15,891.69
Direct taxes (paid)/refunded [net]		118.82	(281.71)
Net cash flow from operating activities (A)		**38,147.75**	**15,609.98**
Cash flow from investing activities			
Payments for acquisition of property, plant and equipment including capital advances		(24,680.25)	(15,732.49)
Proceeds from sale of property, plant and equipment		2.47	294.46
Bank deposits made during the year		(4,241.00)	(20.00)
Deposits with banks matured and received		440.17	(69.97)
Investment in equity shares of Amplus Arjas Solar Private Limited	7	(734.78)	-
Interest received		385.05	507.44
Net cash used in investing activities (B)		**(28,828.34)**	**(15,020.56)**
Cash flows from financing activities			
Proceeds from sale of treasury shares	18	2,403.64	-
Proceeds from long term borrowings [refer (a) below]		37,366.24	7,052.53
Repayments of long term borrowings [refer (a) below]		(42,866.82)	(17,570.82)
Proceeds from short term borrowings [net] [refer (a) below]		2,484.55	9,900.00
Payment of principal portion of lease liabilities [refer (b) below]		(238.64)	(184.11)
Payment of interest portion of lease liabilities [refer (b) below]		(65.61)	(53.58)
Interest paid		(9,377.18)	(9,119.81)
Net cash used in financing activities (C)		**(10,293.82)**	**(9,975.79)**
Net decrease in cash and cash equivalents (A+B+C)		(974.41)	(9,386.37)
Cash and cash equivalents at beginning of the year		(677.29)	8,709.08
Cash and cash equivalents at end of the year		**(1,651.70)**	**(677.29)**

Reconciliation of closing balance of cash and cash equivalents to cash and cash equivalents as per Consolidated Statement of Cash Flows

	Notes	March 31, 2025	March 31, 2024
Cash and cash equivalents	15	1,148.39	2,998.08
Loans repayable on demand from banks (overdraft facilities)	19	(2,800.09)	(3,675.37)
Cash and cash equivalents as per Consolidated Statement of Cash Flows		**(1,651.70)**	**(677.29)**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

ARJAS STEEL PRIVATE LIMITED BENGALURU

Arjas Steel Private Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2025 (Contd.)

(all amounts are rupees in lakh, unless otherwise stated)

Net debt reconciliation	As at	
Particulars	**March 31, 2025**	**March 31, 2024**
Non-current borrowings	41,479.45	49,265.56
Current maturities of non current borrowings	8,904.88	6,606.11
Current borrowings	35,778.82	34,075.37
Lease liabilities	579.61	601.78
Net debt	**86,742.76**	**90,548.82**

(a) Changes in liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings
Balance as at April 1, 2023	**65,824.45**	**21,117.12**
Cash inflows from short term borrowings [net]	-	9,900.00
Cash inflows from overdraft facilities [net]	-	3,058.25
Cash inflows from long term borrowings	7,052.53	-
Cash outflows of long term borrowings	(17,570.82)	-
Non cash changes		
- Foreign exchange adjustments	497.51	-
- Unwinding of interest expense on financial liabilities measured at amortised cost (Effective interest rate method)	68.00	-
Balance as at March 31, 2024	**55,871.67**	**34,075.37**
Cash inflows from short term borrowings [net]	-	2,484.55
Cash outflows from overdraft facilities [net]	-	(907.68)
Cash inflows from long term borrowings	37,366.24	-
Cash outflows of long term borrowings	(42,866.82)	-
Non cash changes		
- Interest accrued	119.53	126.58
- Unwinding of interest expense on financial liabilities measured at amortised cost (Effective interest rate method)	(106.29)	-
Balance as at March 31, 2025	**50,384.33**	**35,778.82**

The current borrowings as at March 31, 2025 includes overdraft facilities disclosed as cash and cash equivalents in the Consolidated Statement of Cash Flows, but disclosed as borrowings in the balance sheet as required under Guidance Note On Division II - Ind AS Schedule III to the Companies Act, 2013. .

(b) Lease liabilities	March 31, 2025	March 31, 2024
Opening balance	601.78	565.28
Non cash changes		
Additions during the year	216.47	220.61
Interest on lease liabilities	65.61	53.58
Cash outflow		
Payment of principal portion of lease liabilities	238.64	184.11
Payment of interest portion of lease liabilities	65.61	53.58
Closing balance [refer note 5B]	**579.61**	**601.78**

The above Consolidated Statement of Cash Flows has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership Number: 047840]

Date: May 19, 2025
Place: Bengaluru

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji . A . Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

Arjas Steel Private Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2025

(all amounts are rupees in lakh, unless otherwise stated)

A. Equity share capital	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at beginning of the year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the previous year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Changes in equity share capital during the previous year	-	-	-	-
Balance at end of the year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91

	Reserves and surplus							
B. Other equity	Capital redemption reserve	Securities premium	Equity settled share based payment reserve	Treasury share reserve	Capital contribution vide interest free loan	Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares	Retained earnings	Total
Balance at April 1, 2023	4,271.15	30,201.52	158.08	(961.73)	1,412.20	1,461.23	(1,59,356.40)	(1,22,813.95)
Profit for the year	-	-	-	-	-	-	3,281.10	3,281.10
Items of other comprehensive income - Remeasurement of the defined benefit plans	-	-	-	-	-	-	(132.37)	(132.37)
Compensation cost related to employee share-based payments	-	-	214.62	-	-	-	-	214.62
Balance at March 31, 2024	4,271.15	30,201.52	372.70	(961.73)	1,412.20	1,461.23	(1,56,207.67)	(1,19,450.60)
Profit/(loss) for the year	-	-	-	-	-	-	(1,649.43)	(1,649.43)
Items of other comprehensive income								
- Remeasurement of the defined benefit plans	-	-	-	-	-	-	52.10	52.10
- Impairment loss recognised in other comprehensive income	-	-	-	-	-	-	(849.47)	(849.47)
Compensation cost related to employee share-based payments	-	-	(372.70)	-	-	-	-	(372.70)
De-recognition of treasury share reserve [refer note 18]	-	-	-	961.73	-	-	-	961.73
Gain on sale of treasury shares [net of capital gain tax] [refer note 3.10(iv) and note 45]	-	1,441.92	-	-	-	-	-	1,441.92
Balance at March 31, 2025	4,271.15	31,643.44	-	-	1,412.20	1,461.23	(1,58,654.47)	(1,19,866.45)

1. Remeasurement of defined benefit plans and impairment loss recognised in other comprehensive income is recognised as a part of retained earnings with separate disclosure.
2. Refer note 18 for nature and purpose of reserves

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

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
[Firm Registration Number: 008072S]

Monisha Parikh
Partner
[Membership Number: 047840]

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Date: May 19, 2025
Place: Bengaluru

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

Bahirji .A . Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru

1 **Company information**

Arjas Steel Private Limited ('Parent Company or 'the Company') was incorporated on March 16, 1993. The parent company operates a special steel plant situated at Tadipatri, Andhra Pradesh, which manufactures special steel products has an installed capacity of 3,00,000 tons of special steel per year, mainly focused on automotive, defence, railways and related industries. The parent company is a private limited company domiciled in India. The address of its principal place of business and registered office is Tadipatri Mandal, Anantapur village, Jambulapadu, Andhra Pradesh – 515 411.

With effect from November 11, 2024, Arjas Steel Private Limited is a subsidiary of The Sandur Manganese & Iron Ores Limited [SMIORE].

The parent company and its immediate subsidiary company (jointly referred to as the 'Group' hereinafter) considered in these consolidated financial statements are:

Name of the Company	Relationship	Country of incorporation	Proportion (%) of equity interest
Arjas Steel Private Limited	Parent Company	India	-
Arjas Modern Steel Private Limited	Immediate Subsidiary Company	India	99.99%

2 **Basis of accounting and preparation of consolidated financial statements**

2.1 **Statement of compliance**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended read with Section 133 of the Companies Act, 2013 (referred to as "Act") and other relevant provisions of the Act.

2.2 **Basis of preparation and presentation**

The consolidated financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

(i) Certain financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
(ii) Defined benefits and other long-term employee benefits;
(iii) Derivative instruments measured at fair value through profit or loss (FVTPL).

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently in the consolidated financial statements.

Transactions and balances with values below the rounding off norm adopted by the group have been reflected as "0" in the relevant notes to these consolidated financial statements.

2.3 **Functional and presentation currency**

The consolidated financial statements are presented in Indian Rupees [INR] unless otherwise stated, the national currency of India, which is the functional currency of the group. All amounts have been rounded off to the nearest lakhs with two decimals thereof.

2.4 **Classification of assets and liabilities as current and non-current**

Assets

An asset is classified as current when it satisfies any of the following criteria:

(i) It is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle,
(ii) It is held primarily for the purpose of being traded,
(iii) It is expected to be realised within 12 months after the reporting date, or
(iv) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(i) It is expected to be settled in the group's normal operating cycle,
(ii) It is held primarily for the purpose of being traded,
(iii) It is due to be settled within 12 months after the reporting date, or
(iv) The group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Deferred Tax Assets and Liabilities are classified as non-current only.

Operating cycle

Based on the nature of activities of the group and normal time between acquisition of assets and their realisation in cash and cash equivalents, the group has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

2.5 **Significant areas of estimation uncertainty, critical judgement, and assumptions in applying accounting policies**

While preparing consolidated financial statements in conformity with Ind AS, the group makes certain estimates and assumptions that that affect the reported amounts of assets and liabilities (including contingent liabilities) at the date of the consolidated financial statements and the reported amounts of revenues and expenses for the reporting period. Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The management believes that the estimates used in preparation of these consolidated financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Information about critical judgement in applying accounting policies as well as estimates and assumptions that have significant effect to the carrying amount of assets and liabilities are included in the accounting policies:

(i) Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources [refer note 3.9];

(ii) Valuation of inventories and inventory obsolescence [refer note 3.5];
(iii) Depreciation and amortisation method and useful life of items of property, plant and equipment and intangible assets [refer note 3.1 and 3.3];
(iv) Impairment of property, plant and equipment, goodwill and intangible assets [refer note 3.4]
(v) Recognition of deferred tax assets [refer note 3.12].

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(all amounts are rupees in lakh, unless otherwise stated)

2.6 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its consolidated financial statements.

3 Material accounting policies

3.1 Property, plant and equipment

Property, plant and equipment [PPE] are stated at historical cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognised in the Consolidated Statement of Profit and Loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with expenditure will flow to the group.

Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

When significant parts of plant and equipment are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Consolidated Statement of Profit and Loss as incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net realisable value and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Depreciation is calculated on cost of item of property, plant & equipment less their estimated residual values using straight line method over estimated useful life (as determined below) and recognised in the Consolidated Statement of Profit and Loss.

Assets	Useful life of asset
Buildings - other than factory buildings	60 years
Factory buildings	30 years
Other buildings (including roads and temporary structures)	3 years - 10 years
Plant and machinery (including railway sidings and electrical installations)	8 years - 40 years
Computers	3 years - 6 years
Furniture	10 years
Office equipment	5 years
Vehicles	8 years

Depreciation method, useful life and residual values are reviewed at each financial year end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on pro-rata basis i.e., from (up to) the date on which asset is ready to use (disposed of).

In line with the provisions of Schedule II of the Companies Act 2013, the group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Freehold land is not depreciated.

Capital work-in-progress includes direct cost of property, plant and equipment under installation / under development as at the balance sheet date, related incidental expenses and attributable interest.

3.2 Leases

The group's leased asset class consists of leases for office spaces, depots, laptops and vehicles leased for employees. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low values. For these For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs and 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.

Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the group's estimate of the amount expected to be payable under a residual value guarantee, if the group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

On the Consolidated Balance Sheet, right-of-use assets has been disclosed as a separate item and lease liabilities have been included in financial liabilities. The group has used a single discount rate to a portfolio of leases with similar characteristics.

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3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including irrecoverable duties and taxes and any costs directly attributable to making the asset ready for their intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with expenditure will flow to the group.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the Consolidated Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight-line method of amortisation of intangible assets (acquired) are as follows:

Assets	Useful life of asset
Software	5 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in Consolidated Statement of Profit and Loss when the asset is derecognised.

3.4 Impairment of non-financial assets

Carrying amount of tangible and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The impairment loss is recognised in the Consolidated Statement of Profit and Loss. When there is an indication that an impairment loss recognized for an asset (other than revalued asset) in earlier accounting periods no longer exists or may have decreased, the carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset in prior years.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets (cash-generating units). Non- financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.5 Inventories

Raw materials, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, stores and spares are determined on a weighted average basis.

Work-in-progress, semi-finished goods and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes wherever applicable. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on weighted average. Net realisable value of work in progress is determined with reference to selling prices of related finished goods.

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

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which includes the consideration of product lines and market conditions.

3.6 Statement of cash flows and cash and cash equivalents

Cash flows are reported using the indirect method, whereby net profits/(loss) before tax is adjusted for effects of transactions of a non-cash/non-operating nature. The cash flows from operating, investing and financing activities of the group are segregated.

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Consolidated Balance Sheet.

3.7 Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instruments.

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

Assessment of business model

The group determines the business model at a level that reflects how financial assets are managed together to achieve a particular business objective. The group's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The group considers all relevant information available when making the business model assessment. The group takes into account all relevant evidence available such as:

(i) how the performance of the business model and the financial assets held within that business model are evaluated and reported to the group's key management personnel;

(ii) the risks that affect the performance of the business model (and the financial assets held within that business model) and in particular, the way in which those risks are managed; and

(iii) how managers of the business are compensated (e.g., whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

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3.7 Financial Instruments [Contd.]

Solely payments of principal and interest ['SPPI'] test

At initial recognition of a financial asset, the group determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model. The group reassesses its business models each reporting period to determine whether the business models have changed since the preceding period.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that meets the SPPI test on the principal outstanding. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated. In assessing whether the contractual cash flows are solely payments of principal and interest, the group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet the definition. In making this assessment, the group considers:

(i) Contingent events that would change the amount of timing of cash flows;
(ii) Terms that may adjust the contractual coupon rate, including variable interest rate features;
(iii) Prepayments and extension feature and;
(iv) Terms that limit the group's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Consolidated Statement of Profit and Loss.

Equity investments at FVOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the group may make an irrevocable election to present subsequent changes in the fair value in OCI. The group makes such election on an instrument-by-instrument basis.

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

Financial assets at fair value through profit or loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. This includes all derivative financial assets. On initial recognition, the group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting/ mismatch that otherwise would arise.

Financial assets: Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the group's balance sheet) when:

(i) the rights to receive cash flows from the asset have expired, or
(ii) the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

a) the group has transferred substantially all the risks and rewards of the asset, or

b) the group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on financial assets.

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 group 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, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. For financial assets other than trade receivables, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

Financial assets that are debt instruments are measured at amortized cost, e.g., loans, deposits and bank balances. The gross carrying amount of financial assets are written off when the group has no reasonable expectations of recovering the entire financial asset or a portion thereof. The financial assets written off are still subject to enforcement activities in order to comply with group's procedures for recovery of amounts due.

Trade receivables

The group follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

Financial liabilities

The group classifies all financial liabilities as subsequently measured at amortized cost or FVTPL. A financial liability is classified at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Consolidated Statement of Profit and Loss.

The group's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts and derivative financial instruments.

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3.7 Financial Instruments (Contd.)

Derivative instruments

The group holds derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Derivatives are initially measured at fair value. Subsequent to the initial recognition, derivatives are measured at fair value and changes therein are recognised in Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Consolidated Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in Consolidated Statement of Profit and Loss when the liabilities are derecognized. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Consolidated Statement of Profit and Loss. This category generally applies to interest bearing loans and borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities: Derecognition

The group de-recognises a financial liability when its contractual obligations are discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially modified, such an exchange or modification is treated as the derecognition of the original liability and recognition of a new liability. The difference between the carrying value of the financial liability and the consideration paid is recognised in Consolidated Statement of Profit and Loss.

Fair value measurement

The group measures financial instruments, such as, derivatives at fair value at each balance sheet date. 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:

(i) in the principal market for the asset or liability, or

(ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

(ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

(iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

3.8 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

The group shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Capitalization of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying asset is interrupted.

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3.9 Provisions, contingent liabilities, contingent assets

Provisions in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period if the effect of time value of money is material. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions for restructuring are recognised by the group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the group.

Contingent liabilities are disclosed in the case of:

a) a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) a present obligation arising from the past events when no reliable estimate is possible;

c) a possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group.

The group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.10 Employee benefits

(i) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the related services are rendered. A liability is recognised for the amount expected to be paid if the group has a present, legal or constructive obligation to pay this amount as a result of past service provided by the employee and obligation can be estimated reliably.

(ii) Post-employment obligations

The group operates the following post-employment schemes:

a) defined benefit plans such as gratuity; and

b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the Consolidated Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified independent actuary using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. When the calculation results in a potential asset for the group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the consolidated statement of changes in equity and in the Consolidated Balance Sheet.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Consolidated Statement of Profit and Loss. The group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans

The group makes specified monthly contribution towards provident and pension fund to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense in the Consolidated Statement of Profit and Loss in the period in which services are provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iii) Other long-term employee benefit obligations [compensated absences]

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Consolidated Statement of Profit and Loss.

The obligations are presented as current liabilities in the Consolidated Balance Sheet of the group as group does not have an unconditional right to defer its settlement for at least 12 months after reporting date.

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3.10 Employee benefits (Contd.)

(iv) Share based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the group estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Consolidated Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled share based payment reserve.

For share based payment award with non-vesting condition, the grant date fair value of the share based payment is measured to reflect such conditions and there is no true up for actual and expected outcomes.

The group has created an Employee Benefit Trust (trust) for providing share-based payment to its employees. The group uses the trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The trust buys shares of the group for giving shares to employees. The group treats trust as its extension and shared held by the trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the group own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in securities premium.

3.11 Revenue recognition

Sale of goods or services

The group recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services. Revenue from sale of goods is measured at fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverables and/or linked arrangements) net of returns, goods and service tax, applicable discounts, refunds, rebates, allowances and charge backs or other similar items in a contract when they are highly probable to be provided.

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

The group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sales, which the group has determined is when physical possession, legal title and risks and rewards of ownership of the products transfer to the customer and the group is entitled to payment. The timing of the transfer of risks and rewards varies depending on individual terms of the sales agreements.

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

Contract balances

(i) Contract assets

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

(ii) Contract liabilities

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

Interest income

Interest income from debt instruments and bank deposits is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income

Dividends are recognised in Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

3.12 Income tax

Income tax consists of current and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax is recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amount and it is intended to realise the asset and liability on a net basis.

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3.12 Income tax [Contd.]

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent there is convincing evidence that sufficient future taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside the Consolidated Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The temporary differences in relation to right of use assets and lease liability for specific leases are regarded as a net package for the purpose of recognising deferred tax.

Deferred tax assets and deferred tax liabilities are offset if:

(i) a legally enforceable right exists to set off current tax assets against current income tax liabilities and;

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.13 Earnings per share

The group reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 – "Earnings Per Share". Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year adjusted with interest/dividend on convertible instruments by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.14 Foreign currency translation

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

Foreign exchange differences regarded as an adjustment to borrowing costs, if any, are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other gains / (losses).

Foreign exchange differences on long term foreign currency monetary items, such as borrowings, solely relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets. In all other cases, the group recognises such differences in the Consolidated Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the foreign currency at the exchange rate of the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.15 Government grants and incentives

Government grants are not recognised until there is reasonable assurance that the group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met. When the grant relates to an asset, it is recognised as an income on a systematic basis over the expected useful life of the related asset.

In case of grants that compensate the group for expenses incurred are recognised in Consolidated Statement of Profit and Loss as other income on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving grant are met after the related expenses have been recognised. In this case grant is recognised when it becomes receivable.

3.16 Onerous contracts

A provision for onerous contract is recognised when the expected benefits to be derived by the group from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the group recognises any impairment loss on assets associated.

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4 Property, plant and equipment

Particulars	Land - freehold	Buildings	Plant and machinery	Office equipment	Computers	Furniture & fixtures	Vehicles	Total
Cost								
Balance as at April 1, 2024	16,584.08	46,440.04	1,37,142.01	772.23	1,186.35	853.38	126.08	2,03,104.17
Additions	-	1,096.44	25,680.77	99.16	429.90	75.85	86.12	27,468.24
Disposals / write-offs	1.20	11.66	1,550.84	0.11	-	0.67	-	1,564.48
Balance as at March 31, 2025	16,582.88	47,524.82	1,61,271.94	871.28	1,616.25	928.56	212.20	2,29,007.93
Accumulated impairment as at April 1, 2024	-	19.33	81.04	0.20	0.07	0.39	-	101.03
Reversal for the year [refer note 30]	-	19.33	81.04	0.20	0.07	0.39	-	101.03
Accumulated impairment as at March 31, 2025	-	-	-	-	-	-	-	-
Accumulated depreciation as at April 1, 2024	-	13,566.07	65,691.49	479.33	807.14	543.46	31.77	81,119.26
Charge for the year [refer note 30]	-	1,547.07	8,954.12	91.16	113.41	45.93	15.11	10,766.80
Disposals / write-offs	-	2.96	956.65	0.10	-	0.58	-	960.29
Accumulated depreciation as at March 31, 2025	-	15,110.18	73,688.96	570.39	920.55	588.81	46.88	90,925.77
Accumulated depreciation and impairment as at March 31, 2025	-	15,110.18	73,688.96	570.39	920.55	588.81	46.88	90,925.77
Net carrying value as at April 1, 2024	16,584.08	32,854.64	71,369.48	292.70	379.14	309.53	94.31	1,21,883.88
Net carrying value as at March 31, 2025*	16,582.88	32,414.64	87,582.98	300.89	695.70	339.75	165.32	1,38,082.16

* Includes temporarily idle property, plant and equipment of INR 178.11 lakhs [March 31, 2024: INR 266.92 lakhs]

Particulars	As at April 1, 2024	Additions	Capitalisation/ Deduction	As at March 31, 2025
Capital work-in-progress [CWIP]	29,972.88	22,950.67	27,790.87	25,132.68

Ageing of Capital work-in-progress

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	10,961.21	8,760.78	4,305.59	1,105.10	25,132.68

Expected completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
where cost and time overrun exceeded original plan					
In Progress					
Garret coiler and Bell annealing furnace	17,895.65	-	-	-	17,895.65
SMS Phase#2: Augmentation of SMS Equipment	2,039.43	-	-	-	2,039.43
Revamping of Stove#3	1,039.34	-	-	-	1,039.34
Other projects*	499.59	-	-	-	499.59
	21,474.01	-	-	-	**21,474.01**
where time overrun exceeded original plan					
In Progress					
Other projects*	1,545.93	-	-	-	1,545.93
	1,545.93	-	-	-	**1,545.93**

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4 Property, plant and equipment [Contd.]

Particulars	Land - freehold	Buildings	Plant and machinery	Office equipment	Computers	Furniture & fixtures	Vehicles	Total
Cost								
Balance as at April 1, 2023	16,595.28	44,846.71	1,35,051.08	650.11	1,029.04	790.88	116.22	1,99,079.32
Additions	-	1,708.18	4,540.46	124.19	157.31	64.24	9.86	6,604.24
Disposals / write-offs	11.20	114.85	2,449.53	2.07	-	1.74	-	2,579.39
Balance as at March 31, 2024	**16,584.08**	**46,440.04**	**1,37,142.01**	**772.23**	**1,186.35**	**853.38**	**126.08**	**2,03,104.17**
Accumulated impairment as at April 1, 2023	-	19.99	86.17	0.20	0.07	0.41	-	106.84
Charge for the year [refer note 30]	-	0.66	5.13	-	-	0.02	-	5.81
Accumulated impairment as at March 31, 2024	-	**19.33**	**81.04**	**0.20**	**0.07**	**0.39**	-	**101.03**
Accumulated depreciation as at April 1, 2023	-	11,859.52	59,358.47	408.25	743.59	494.85	17.77	72,882.45
Charge for the year [refer note 30]	-	1,739.89	7,639.64	73.29	63.61	49.82	14.00	9,580.25
Disposals / write-offs	-	33.34	1,306.62	2.21	0.06	1.21	-	1,343.44
Accumulated depreciation as at March 31, 2024	-	**13,566.07**	**65,691.49**	**479.33**	**807.14**	**543.46**	**31.77**	**81,119.26**
Accumulated depreciation and impairment as at March 31, 2024	-	**13,585.40**	**65,772.53**	**479.53**	**807.21**	**543.85**	**31.77**	**81,220.29**
Net carrying value as at April 1, 2023	16,595.28	32,967.20	75,606.44	241.66	285.38	295.62	98.45	1,26,090.03
Net carrying value as at March 31, 2024*	**16,584.08**	**32,854.64**	**71,369.48**	**292.70**	**379.14**	**309.53**	**94.31**	**1,21,883.88**

* Includes temporarily idle property, plant and equipment of INR 266.92 lakhs [March 31, 2024: INR 355.74 lakhs]

Particulars	As at April 1, 2023	Additions	Capitalisation/ Deduction	As at March 31, 2024
Capital work-in-progress [CWIP]	17,670.07	19,297.02	6,994.21	29,972.88

Ageing of Capital work-in-progress

Particulars	As at March 31, 2024 Less than 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	2,394.75	5,065.89	13,948.91	8,563.33	29,972.88
Projects temporarily suspended	-	-	-	-	-

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

Expected completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

Particulars	To be completed in Less than 1 year	1-2 years	2-3 years	> 3 years	Total
where cost and time overrun exceeded original plan					
In Progress					
Garret coiler and Bell annealing furnace	11,594.15	-	-	-	11,594.15
Revamping of Blast furnace proper	1,933.59	-	-	-	1,933.59
Other projects*	705.04	-	-	-	705.04
	14,232.78	-	-	-	**14,232.78**
where time overrun exceeded original plan					
In Progress					
Reducing and sizing block	8,469.76	-	-	-	8,469.76
Revamping of Stove 1 & 2	2,350.46	-	-	-	2,350.46
FES project	1,877.99	-	-	-	1,877.99
Other projects*	2,165.65	-	-	-	2,165.65
	14,863.86	-	-	-	**14,863.86**

*Individual projects less than INR 1,000 lakhs have been clubbed together in other projects.
(i) The title deeds of all immovable properties are held in the name of the group.
(ii) Refer note 39 for the contractual commitments relating to property, plant and equipment.
(iii) Property, plant and equipment have been pledged as security against bank borrowings, the terms relating to which have been described in note 19
(iv) The group has not revalued any of its property, plant and equipment and intangible assets during the year.

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Notes to consolidated financial statements for the year ended March 31, 2025 (Contd.) (all amounts are rupees in lakh, unless otherwise stated)

5 Leases

A Right of use assets

Carrying value of right of use assets as at March 31, 2025

Particulars	Buildings	Others	Total
Balance as at April 1, 2024	837.62	234.30	1,071.92
Additions	216.47	-	216.47
Deletions	13.03	61.00	74.03
Balance as at March 31, 2025	**1,041.06**	**173.30**	**1,214.36**
Accumulated depreciation as at April 1, 2024	347.78	77.26	425.04
Charge for the year (refer note 30)	214.40	46.89	261.29
Disposals	13.03	61.00	74.03
Accumulated depreciation as at March 31, 2025	**549.15**	**63.15**	**612.30**
Net carrying value as at April 1, 2024	489.84	157.04	646.88
Net carrying value as at March 31, 2025	**491.91**	**110.15**	**602.06**

Carrying value of right of use assets as at March 31, 2024

Particulars	Buildings	Others	Total
Balance as at April 1, 2023	772.47	99.58	872.05
Additions	65.15	155.46	220.61
Deletions	-	20.74	20.74
Balance as at March 31, 2024	**837.62**	**234.30**	**1,071.92**
Accumulated depreciation as at April 1, 2023	181.95	53.74	235.69
Charge for the year (refer note 30)	165.83	44.26	210.09
Disposals	-	20.74	20.74
Accumulated depreciation as at March 31, 2024	**347.78**	**77.26**	**425.04**
Net carrying value as at April 1, 2023	590.52	45.84	636.36
Net carrying value as at March 31, 2024	**489.84**	**157.04**	**646.88**

B Lease liabilities

The following is the movement in lease liabilities during the year ended

Particulars	March 31, 2025	March 31, 2024
Lease liabilities at beginning of the year	601.78	565.28
Additions during the year	216.47	220.61
Interest on lease liabilities	65.61	53.58
Lease payments	304.25	237.69
Closing lease liabilities at end of the year	**579.61**	**601.78**

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(all amounts are rupees in lakh, unless otherwise stated)

5 Leases [Contd.]

Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	March 31, 2025	March 31, 2024
Less than 1 year	309.96	237.66
1-5 years	328.62	435.26
More than 5 years	-	-
Total undiscounted lease liabilities	**638.58**	**672.92**
Lease liabilities included in the statement of financial position		
Current	268.92	205.23
Non current	310.69	396.55

Amounts recognised in the Consolidated Statement of Profit and Loss

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets [refer note 30]	261.29	210.09
Interest expense on lease liabilities [refer note 29]	65.61	53.58
Expense relating to short-term leases/low value asset [refer note 31]	946.46	947.86

The group has taken offices, warehouses/depots and vehicles on lease for business purposes.

Amounts recognised in the statement of cash flows

Particulars	March 31, 2025	March 31, 2024
Total cash outflow for leases	304.25	237.69

The weighted average incremental borrowing rate of 9.60% [March 31, 2024: 9.60%] has been applied to lease liabilities recognised in the Consolidated Balance Sheet.

6 Other intangible assets

Particulars	Software	Total
Balance as at April 1, 2024	1,652.90	1,652.90
Additions	321.98	321.98
Balance as at March 31, 2025	**1,974.88**	**1,974.88**
Accumulated amortisation as at April 1, 2024	1,297.68	1,297.68
Charge for the year [refer note 30]	143.56	143.56
Accumulated amortisation as at March 31, 2025	**1,441.24**	**1,441.24**
Net carrying value as at April 1, 2024	355.22	355.22
Net carrying value as at March 31, 2025	**533.64**	**533.64**

Intangibles have been pledged as security against bank borrowings, the terms relating to which have been described in note 19

Particulars	Software	Total
Balance as at April 1, 2023	1,639.32	1,639.32
Additions	13.58	13.58
Balance at March 31, 2024	**1,652.90**	**1,652.90**
Accumulated amortisation as at April 1, 2023	1,191.24	1,191.24
Charge for the year [refer note 30]	106.44	106.44
Accumulated amortisation as at March 31, 2024	**1,297.68**	**1,297.68**
Net carrying value as at April 1, 2023	448.08	448.08
Net carrying value as at March 31, 2024	**355.22**	**355.22**

Intangibles have been pledged as security against bank borrowings, the terms relating to which have been described in note 19

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7 Goodwill	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	447.15	447.15
Balance at end of the year	**447.15**	**447.15**

The above 'Goodwill' is an asset representing the future economic benefits arising from other assets acquired in a business combination by immediate subsidiary company that is not individually identified and hence separately recognised. It represents an intangible asset acquired that meets neither the separability criterion nor the contractual-legal criterion at the date of acquisition. The Goodwill recognized is not expected to be deductible for tax purposes.

The recoverable amount has been determined based on value in use. Value in use has been determined based on future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions of the immediate subsidiary company. As at March 31, 2025, the estimated cash flows for a period of five years were developed using internal forecasts, and a pre-tax discount rate of 15.20% (March 31, 2024: 16.48%). The cash flows beyond five years have been extrapolated assuming 4% long-term growth rates. The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.

8 Investments	As at March 31, 2025	As at March 31, 2024
Investments in equity instruments (measured at fair value through other comprehensive income)		
Unquoted investments		
Shares of Andhra Pradesh Gas Power Corporation Limited (APGPCL) 12,59,600 equity shares (March 31, 2024: 12,59,600 equity shares) of face value INR 10/- each fully paid up)	849.47	849.47
Less: Impairment loss recognised in other comprehensive income (refer note below)	(849.47)	-
Shares of Amplus Arjas Solar Private Limited 70,08,227 equity shares (March 31, 2024: Nil) of face value INR 10/- each fully paid up	734.78	-
Total	**734.78**	**849.47**

The Company has re-assessed the recoverability during the year and has fully impaired the investments made in APGPCL.

9 Trade receivables (carried at amortised cost until otherwise stated)	As at March 31, 2025	As at March 31, 2024
Trade receivables - Unsecured, considered good	37,521.28	38,714.06
Trade receivables - Credit impaired	-	18.21
	37,521.28	**38,732.27**
Allowance for expected credit loss	(190.65)	(76.12)
Total	**37,330.63**	**38,656.15**

Trade receivables have been pledged as security against bank borrowings, the terms relating to which have been described in note 19

The group does not have any debts due by directors, other officers of the group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Movement in the expected credit loss allowance	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	(76.12)	(193.00)
Loss reversal/(allowance) on trade receivable	(139.66)	86.99
Utilisation of allowance	25.13	29.88
Balance at end of the year	**(190.65)**	**(76.12)**

The group's exposure to credit risk and currency risk and loss allowance related to trade receivable are disclosed in note 35

There are no disputed trade receivables as on March 31, 2025 and March 31, 2024

Ageing as at March 31, 2025

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
– considered good	17,662.40	19,666.21	93.76	61.19	33.91	3.81	37,521.28
– credit impaired	-	-	-	-	-	-	-
Total	**17,662.40**	**19,666.21**	**93.76**	**61.19**	**33.91**	**3.81**	**37,521.28**
Less: Allowance for expected credit losses							(190.65)
Total							**37,330.63**

Ageing as at March 31, 2024

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
– considered good	21,184.29	17,272.02	113.04	141.58	3.13	-	38,714.06
– credit impaired	-	6.94	2.17	8.42	0.68	-	18.21
Total	**21,184.29**	**17,278.96**	**115.21**	**150.00**	**3.81**	-	**38,732.27**
Less: Allowance for expected credit losses							(76.12)
Total							**38,656.15**

10 Other financial assets (carried at amortised cost until otherwise stated)	Non current As at March 31, 2025	Non current As at March 31, 2024	Current As at March 31, 2025	Current As at March 31, 2024
Unsecured, considered good				
Bank deposits with more than 12 months maturity (refer note (i))	5,296.66	1,573.74	100.84	-
Advances to employees	-	-	10.96	-
Security deposits (refer note (ii))	147.53	131.60	136.20	177.17
Total	**5,444.19**	**1,705.34**	**248.00**	**177.17**

(i) Bank deposits have been pledged as security against bank borrowings, the terms relating to which have been described in note 19 amounting to INR 4,928.33 lakh (March 31, 2024: INR 1,155.99 lakh) and deposits amounting to INR 469.17 lakh (March 31, 2024: INR 417.75 lakh) are in lien against bank guarantees.

(ii) Security deposits are primarily in relation to rental agreements and earnest money deposits.

The group's exposure to credit risk and currency risk and loss allowance related to other financial assets are disclosed in note 35

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11 Deferred tax assets (net)	**As at March 31, 2025**	**As at March 31, 2024**
Deferred tax asset		
Unabsorbed depreciation / business loss as per income tax [refer (i) below]	8,829.59	12,152.60
Provisions and others	1,097.86	771.03
ECL on trade receivables and other financial assets	86.00	836.15
Other financial liabilities [refer note (ii)]	324.11	313.47
Deferred government grant	-	139.14
Fair value changes on equity instruments through other comprehensive income	296.84	-
	10,634.40	14,212.39
Deferred tax liability		
Property, plant & equipment [difference between carrying value as per books of account and written down value as per income tax]	10,278.78	13,876.60
Borrowings	78.27	41.11
Right of use assets	210.38	226.04
Impairment reversal of property plant and equipment and CWIP	-	2.03
Other financial assets	48.77	79.48
Remeasurement of employee benefit expenses [items of OCI]	18.20	(12.87)
	10,634.40	14,212.39
Net deferred tax assets/ (liabilities)	-	-

(i) This is restricted to the extent of deferred tax liabilities because of lack of convincing evidence that sufficient taxable profit will be available against which such unabsorbed depreciation or unused tax losses can be utilised by the Company.

(ii) Other financial liabilities includes deferred tax asset computed on lease liability, derivative liability and other accruals

The analysis of deferred tax assets and deferred tax liabilities is as follows:

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

Deferred tax balance in relation to	**As at March 31, 2024**	**Recognised/ reversed through statement of profit and loss or OCI**	**As at March 31, 2025**
Property, plant and equipment	(13,876.60)	3,597.82	(10,278.78)
Borrowings (application of effective interest rate method)	(41.11)	(37.16)	(78.27)
Right of use assets	(226.04)	15.66	(210.38)
Other financial assets	(79.48)	30.71	(48.77)
Remeasurement of employee benefit expenses [items of OCI]	12.87	(31.07)	(18.20)
Carried forward business loss/unabsorbed depreciation	12,152.60	(3,323.01)	8,829.59
Impairment reversal of property plant and equipment and CWIP	(2.03)	2.03	-
Provisions and others	771.03	326.83	1,097.86
ECL on trade receivables and other financial assets	836.15	(750.15)	86.00
Other financial liabilities [refer (ii) above]	313.47	10.64	324.11
Deferred government grant	139.14	(139.14)	-
Fair value changes on equity instruments through other comprehensive income [items of OCI]	-	296.84	296.84
Total	-	-	-

Deferred tax balance in relation to	**As at March 31, 2023**	**Recognised/ reversed through statement of profit and loss or OCI**	**As at March 31, 2024**
Property, plant and equipment	(14,449.54)	572.94	(13,876.60)
Borrowings (application of effective interest rate method)	(64.87)	23.76	(41.11)
Right of use assets	(222.37)	(3.67)	(226.04)
Other financial assets	(200.00)	120.52	(79.48)
Remeasurement of employee benefit expenses [items of OCI]	72.46	(59.59)	12.87
Carried forward business loss/unabsorbed depreciation	12,817.59	(664.99)	12,152.60
Impairment reversal of property plant and equipment and CWIP	(2.24)	0.21	(2.03)
Provisions and others	674.64	96.39	771.03
ECL on trade receivables and other financial assets	875.91	(39.76)	836.15
Other financial liabilities [refer (ii) above]	338.41	(24.94)	313.47
Deferred government grant	154.60	(15.46)	139.14
Written down value of inventory	5.41	(5.41)	-
Total	-	-	-

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11 Deferred tax assets (net) [Contd.]

Tax losses for which no deferred tax asset is recognised as follows:

		March 31, 2025	Expiry date [Financial year]	March 31, 2024	Expiry date [Financial year]
I	Business losses which expire	23.76	2028-29	23.76	2028-29
		153.57	2029-30	153.57	2029-30
		3,480.25	2030-31	3,480.25	2030-31
		158.78	2031-32	329.98	2031-32
		3,002.18	2032-33		
II	Unabsorbed depreciation [this will not expire under Indian tax laws]	95,560.53		85,455.24	
		1,02,379.07		**89,442.80**	

Income tax in Consolidated Statement of Profit and Loss and other comprehensive income is nil. Reconciliation of effective tax rate is as below

	March 31, 2025	March 31, 2024
Profit before tax	(1,649.43)	3,281.10
Enacted tax rate in India	34.94%	34.94%
Expected income tax expense at statutory tax rate	**(576.38)**	**1,146.55**
Carried forward business loss/unabsorbed depreciation	(1,149.66)	(2,916.90)
Deductible expenses where deferred tax asset is not recognised in subsidiary	1,325.30	373.12
Other non-deductible expenses	400.73	761.29
Other temporary differences	-	635.95
Current tax expense for the year	-	-

12 Income tax assets (net)

	As at	
	March 31, 2025	March 31, 2024
Tax deducted at source receivable	633.97	752.79
	633.97	**752.79**

13 Other current and non current assets

	Non current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good				
Capital advances	755.11	1,415.56	-	-
Advances other than capital advances				
Deposit with statutory authorities	2,059.21	1,797.14	-	-
Electricity deposit	1,658.99	1,464.40	97.47	110.61
Water and other deposits	-	-	129.73	150.74
Advances to parties other than related parties				
Advances to suppliers	-	-	1,244.49	1,188.38
Advances to employees	-	-	28.14	28.72
Balances with government authorities	16.47	16.47	355.02	507.30
Prepaid expenses	24.27	39.00	593.10	650.33
Government grant [refer note 45]	398.19	612.03	-	-
	4,912.24	5,344.60	2,447.95	2,636.08
Unsecured, considered doubtful -				
Government grant and security deposit	213.84	2,270.18	-	-
Less: Provision for doubtful assets	(213.84)	(2,270.18)	-	-
	-	-	-	-
Advance to vendors	12.30	-	62.16	46.54
Less: Loss allowance towards ECL on advances	(12.30)	-	(62.16)	(46.54)
	-	-	-	-
	4,912.24	**5,344.60**	**2,447.95**	**2,636.08**

Current assets have been pledged as security against bank borrowings, the terms relating to which have been described in note 19.

14 Inventories

	As at	
	March 31, 2025	March 31, 2024
Raw materials (including goods-in-transit amounting to INR 48.47 lakh [March 31, 2024: INR 124.69 lakh])	18,093.17	21,236.47
Work-in-progress	2,560.79	2,136.39
Finished goods (including goods-in-transit amounting to INR 3,829.35 lakh [March 31, 2024: INR 4,403.77 lakh])	26,026.67	23,626.77
Semi finished goods	10,330.97	37,528.09
Stores and spares	6,253.95	8,075.93
Total inventories (valued at lower of cost and net realisable value)	**63,265.55**	**92,603.65**

Inventories have been pledged as security against bank borrowings, the terms relating to which have been described in note 19

Value of inventories above is stated after provisions INR 1,545.64 lakh [March 31, 2024: INR 1,267.17 lakh] for slow moving and obsolete items and INR Nil [March 31, 2024: INR 77.51 lakh] for written down value of inventories. The movement of provision are included in cost of materials consumed and changes in inventories of finished goods, work-in-progress and semi finished goods respectively.

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15 Cash and cash equivalents	As at	
	March 31, 2025	March 31, 2024
Cash on hand	1.66	1.91
Balances with banks		
On current accounts	1,146.73	2,996.17
	1,148.39	2,998.08

There are no restrictions with regard to cash and cash equivalents as at the end of reporting period

16 Bank balances other than cash and cash equivalents	As at	
	March 31, 2025	March 31, 2024
Balances with banks		
Bank deposits with original maturity more than 3 months and less than 12 months from the reporting date	-	35.57
	-	35.57

Bank deposits amounting to INR Nil (March 31, 2024: INR 35.57 lakh) are in lien against bank guarantees.
Refer note 10 for details of bank deposits with maturity greater than 12 months.

17 Equity share capital	As at	
	March 31, 2025	March 31, 2024
Authorised share capital :		
2,90,00,00,000 (March 31, 2024 2,90,00,00,000) equity shares of INR 10/- each	2,90,000.00	2,90,000.00
	2,90,000.00	2,90,000.00
Issued, subscribed and fully paid-up capital comprises :		
2,40,20,79,056 (March 31, 2024 2,40,20,79,056) equity shares of INR 10/-each, fully paid	2,40,207.91	2,40,207.91
Total issued, subscribed and fully paid-up share capital	2,40,207.91	2,40,207.91

(a) Reconciliation of shares outstanding at beginning of the year and at end of the year:

Equity shares	March 31, 2025		March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at beginning of the year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91
Add: Issued during the year	-	-	-	-
Balance at end of the year	2,40,20,79,056	2,40,207.91	2,40,20,79,056	2,40,207.91

(b) Rights, preference and restrictions attached to shares including restrictions on the distribution of dividends and the repayment of capital:

Equity shares: The parent has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividends, when declared, are paid in Indian Rupees. The distribution of dividend (if any) is in the proportion to the number of equity shares held by the shareholders.

In the event of liquidation, the liquidator may, with the sanction of a special resolution of the group and any other sanction required by the Act, divide amongst the members, the whole or any part of the assets of the group, whether they shall consist of property of the same kind or not.

(c) Details of share holders holding more than 5% shares in the parent company

Name of the shareholder	March 31, 2025		March 31, 2024	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of INR 10 each fully paid				
The Sandur Manganese & Iron Ores Limited (from November 11, 2024)	2,37,65,19,836	98.94%	-	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain (up to November 10, 2024)	-	-	2,34,79,27,245	97.75%

(d) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date. Further there are no shares reserved for issue under contracts or commitments for the sale of shares or disinvestment.

(e) Details of equity shares held by Promoter

Promoter Name	March 31, 2025			March 31, 2024		
	No of shares	% of total shares	% change during the year	No of shares	% of total shares	% change during the year
The Sandur Manganese & Iron Ores Limited	2,37,65,19,836	98.94%	100.00%	-	-	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	-	-	100.00%	2,34,79,27,245	97.75%	1.00%

(f) During the year, The Sandur Manganese & Iron Ores Limited (SMIORE) entered into Share Purchase Agreement (SPA) and acquired 2,37,65,19,836 equity shares of the parent company. The SPA consummated on November 11, 2024 and consequently the parent company has become subsidiary of SMIORE.

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18 Other equity	As at March 31, 2025	As at March 31, 2024
Retained earnings	(1,58,654.47)	(1,56,207.67)
Capital redemption reserve	4,271.15	4,271.15
Securities premium account	31,643.44	30,201.52
Treasury share reserve	-	(961.73)
Equity settled share based payment reserve	-	372.70
Capital contribution vide interest free loan	1,412.20	1,412.20
Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares	1,461.23	1,461.23
	(1,19,866.45)	**(1,19,450.60)**
Retained earnings		
Balance at beginning of the year	(1,56,207.67)	(1,59,356.40)
Profit/(loss) for the year	(1,649.43)	3,281.10
Items of other comprehensive income:		
Fair value changes on equity instruments through other comprehensive income	(849.47)	-
Reserve for remeasurements of the defined benefit plans	52.10	(132.37)
Balance at end of the year	**(1,58,654.47)**	**(1,56,207.67)**
Capital redemption reserve		
Balance at beginning of the year	4,271.15	4,271.15
Movement during the year	-	-
Balance at end of the year	**4,271.15**	**4,271.15**
Securities premium account		
Balance at beginning of the year	30,201.52	30,201.52
Movement during the year [refer note 44]	1,441.92	-
Balance at end of the year	**31,643.44**	**30,201.52**
Treasury share reserve		
Balance at beginning of the year	(961.73)	(961.73)
Derecognised upon sale of treasury shares [refer note 44]	961.73	-
Balance at end of the year	**-**	**(961.73)**
Equity settled share based payment reserve		
Balance at beginning of the year	372.70	158.08
Movement during the year [refer note 44]	(372.70)	214.62
Balance at end of the year	**-**	**372.70**
Capital contribution vide interest free loan		
Balance at beginning of the year	1,412.20	1,412.20
Movement during the year	-	-
Balance at end of the year	**1,412.20**	**1,412.20**
Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares		
Balance at beginning of the year	1,461.23	1,461.23
Movement during the year	-	-
Balance as at end of the year	**1,461.23**	**1,461.23**
Total other equity	**(1,19,866.45)**	**(1,19,450.60)**

Nature of reserves

Retained earnings are the profits that the group has earned till date [including amounts recognised in OCI], less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings are free reserve available to the group.

Capital redemption reserve is created for redemption of preference shares as per statutory requirement. This reserve would be utilised in accordance with the specific provisions of the Companies Act, 2013.

Securities premium is the amount received in excess of face value of the equity shares. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

Treasury share reserves comprises the cost of the company's shares held by Arjas Employee Benefit Trust. At March 31, 2025, the trust held Nil [March 31, 2024: 330,30,682] of the parent company's shares.

Equity settled share based payment reserve is the share-based payment reserve is used to recognise the value of equity settled share-based payments provided to employees [refer note 44].

Capital contribution vide interest free loan represents the difference between nominal value (actual amount received) of the interest free loan and the fair value on initial recognition. Since the loan was provided in the capacity of a shareholder, the parent company has accounted for resulting credit as a capital contribution disclosed in the manner as stated above in line with the requirements of the reporting framework. Accordingly, there is no specific purpose for utilisation with respect to this amount.

Capital contribution vide 0.1% non-cumulative optionally convertible redeemable preference shares represents the difference between nominal value (actual amount received) of the preference shares and the fair value on initial recognition. Since the investment in preference shares was made in the capacity of a shareholder, the parent company has accounted for resulting credit as a capital contribution disclosed in the manner as stated above in line with the requirements of the reporting framework. Accordingly, there is no specific purpose for utilisation with respect to this amount.

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19 Borrowings

	Non current		Current	
	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Secured at amortised cost:				
Loans from other than related parties:				
Term loans [refer (a), (b) and (c) below]	41,479.45	13,414.78	8,904.88	6,606.11
Working capital demand loan [refer (d) below]	-	-	32,978.73	30,400.00
Loans repayable on demand from banks (overdraft schedule) [refer (d) below]	-	-	2,800.09	3,675.37
Unsecured at amortised cost:				
Loans from related party [refer (e) below]				
External commercial borrowings from Blue Coral Investment Holdings Pte Ltd	-	35,850.78	-	-
	41,479.45	**49,265.56**	**44,683.70**	**40,681.48**

The details of security and repayment of secured term loans are as follows:

Security	Interest and repayment terms
a) I. ICICI Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Charge on DSRA or lien over interest bearing fixed deposits. iv) Non-disposable undertaking to the extent of controlling stake held by immediate holding company. During the year the Company obtained No Objection Certificate from the bank for transfer of its shares held by Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain to SMIORE.	i) Term loan of INR 182.91 lakh [March 31, 2024: INR 487.74 lakh] is repayable - 4 quarterly instalments of INR 45.73 lakh from May'2025 to Feb'2026 ii) Term loan of INR 236.74 lakh [March 31, 2024: INR 631.32 lakh] is repayable - 4 quarterly instalments of INR 59.19 lakh from May'2025 to Feb'2026 iii) Term loan of INR 451.69 lakh [March 31, 2024: INR 1,204.51 lakh] is repayable - 4 quarterly instalments of INR 112.92 lakh from May'2025 to Feb'2026 iv) Term loan of INR 18,000.00 lakh is repayable [March 31, 2024: Nil] - 1st instalment of INR 720.00 lakh in Nov'2025 - 8 quarterly instalments of INR 450.00 lakh from Feb'2026 to Nov'2027 - 16 quarterly instalments of INR 675.00 lakh from Feb'2028 to Nov'2031 - 4 quarterly instalments of INR 720.00 lakh from Feb'2032 to Nov'2032 v) Rate of interest on all loans vary from MCLR-3M to MCLR-1Y+Spread ranging 9.25%- 9.60% per annum [March 31, 2024: 8.75%- 9.60% per annum] vi) The closing balance of the borrowings is net of unamortised cost of INR 165.40 lakh [March 31, 2024: INR 9.99 lakh] and interest accrued of INR 14.37 lakh [March 31, 2024: Nil].
a) II. ICICI Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Charge on DSRA or lien over interest bearing fixed deposits. iv) Borrower to maintain minimum security cover of 1.25x throughout the tenure of the facility. v) Non-disposable undertaking to the extent of controlling stake held by parent company. vi) Non disposal/repayment of INR 1,600 lakh taken from the parent company. vii) Corporate guarantee from the parent company.	i) Term loan of INR 1,312.50 lakhs [March 31, 2024: INR 2,187.50 lakhs] is repayable in 6 quarterly instalments of INR 218.75 lakhs from Jun'2025 to Sep'2026 ii) Term loan of INR 1,093.75 lakhs [March 31, 2024: INR 1,718.75 lakhs] is repayable in 7 quarterly instalments of INR 156.25 lakhs from May'2025 to Nov'2026 iii) Rate of interest on all loans are MCLR-1Y+Spread ranging 9.65% - 9.75% per annum [March 31, 2024: 9.05% - 9.75% per annum] iv) The closing balance of the borrowings is net of unamortised cost of INR 7.82 lakhs [March 31, 2024: INR 20.24 lakhs] and interest accrued of INR 1.93 lakhs [March 31, 2024: Nil].
b) Axis Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets iii) Charge on DSRA or lien over interest bearing fixed deposits	i) Term loan of INR 17,499.93 lakh [March 31, 2024: Nil] is repayable - 1st instalment of INR 699.93 lakh in Nov'2025 - 8 quarterly instalments of INR 437.50 lakh from Feb'2026 to Nov'2027 - 16 quarterly instalments of INR 656.25 lakh from Feb'2028 to Nov'2031 - 4 quarterly instalments of INR 700.00 lakh from Feb'2032 to Nov'2032 ii) Rate of interest is MCLR-1Y+Spread ranging currently at 9.25% per annum.
c) I. HDFC Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Non-disposable undertaking to the extent of controlling stake held by immediate holding company. During the year the Company obtained No Objection Certificate from the bank for transfer of its shares held by Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain to SMIORE.	i) Term loan is INR 9,523.71 lakh for the current year [March 31, 2024: 10,471.20 lakh] is repayable in 13 quarterly instalments of INR 732.59 lakh from Apr'2025 to Apr'2028 ii) Rate of interest on all loans is as mutually agreed, for the current period it is ranging 9.75% - 10.10% per annum [March 31, 2024: 9.40% - 9.80% per annum] iii) The closing balance of the borrowings is net of unamortised cost of INR 43.79 lakh [March 31, 2024: 70.99 lakh] and interest accrued of INR 81.71 lakh [March 31, 2024: Nil].
c) II. HDFC Bank Limited i) First pari passu charge on all the immovable and movable properties. ii) Second pari-passu charge over present and future current assets. iii) Charge on DSRA or lien over interest bearing fixed deposits. iv) Borrower to maintain minimum security cover of 1.25x throughout the tenure of the facility. v) Non-disposable undertaking to the extent of controlling stake held by parent company. vi) Non disposal/repayment of INR 2,330 lakh taken from parent company. vii) Corporate guarantee from parent company.	i) Term loan of INR 2,187.50 lakhs [March 31, 2024: INR 3,437.50 lakhs] is repayable in 7 quarterly instalments of INR 312.50 lakhs from Jun'2025 to Dec'2026. ii) Rate of interest on all loans are 3M MCLR+100 bps ranging 10.15% - 10.30% per annum [March 31, 2024: 9.50% - 10.15% per annum] iii) The closing balance of the borrowings is net of unamortised cost of INR 6.92 lakhs [March 31, 2024: INR 16.41 lakhs] and interest accrued of INR 21.52 lakhs [March 31, 2024: Nil].

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19 Borrowings [Contd.]

d) The group has the following working capital facilities from:

(i) ICICI Bank Limited - INR 14,950.00 lakh [March 31, 2024: INR 12,500.00 lakh]; interest rate 8.7% to 9.01% per annum [March 31, 2024: interest rate 8.25% to 9.03% per annum] and includes accrued interest of INR 1.79 lakh [March 31, 2024: Nil].

(ii) HDFC Bank Limited - INR 9,000.00 lakh [March 31, 2024: INR 14,000.00 lakh]; interest rate 8.52% to 10.25% per annum [March 31, 2024: interest rate 8.24% to 9.32% per annum] and includes accrued interest of INR 66.89 lakh [March 31, 2024].

(iii) HSBC Limited - INR 8,934.55 lakh [March 31, 2024: 3,900.00 lakh]; interest rate 8.75% to 9.55% per annum [March 31, 2024: interest rate 9.20% per annum] and includes accrued interest of INR 25.50 lakh [March 31, 2024: Nil].

(iv) Overdraft facility from HDFC Bank Limited - INR 1,099.76 lakh [March 31, 2024: INR 804.59 lakh]; interest rate 3M MCLR+100 bps ranging 8.52% to 10.25%per annum [March 31, 2024 3M MCLR +100 bps ranging 8.76% to 9.32% per annum] reset quarterly and includes accrued interest of INR 32.40 lakh [March 31, 2024: Nil]

(v) Overdraft facility from ICICI Bank Limited - INR 1,667.93 lakh [March 31, 2024 INR 2,870.78 lakh]; interest rate 8.25% to 9.25% per annum [March 31, 2024: I-MCLR 6M+1.30% ranging 8.25% to 9.25% per annum].

The above facilities are secured by first pari passu charge on current assets, second pari passu charge on plant & machinery, immovable properties and corporate guarantee from parent company for borrowings of subsidiary company.

e) Loans availed from Blue Coral Investment Holdings Pte Limited, Singapore amounting to INR 35,850.78 lakh [USD 43 Million] towards the External Commercial Borrowing ['ECB Loan'] is repaid during the year.

f) The group has not defaulted on repayment of principal and payment of interest on any of the above borrowings during the year.

g) The quarterly returns or statements filed (as revised wherever applicable) by the parent company and the immediate subsidiary company for working capital limits with banks and financial institutions are in agreement with the books of account of the parent company and the subsidiary company.

20 Trade payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	9,662.22	13,110.04
Total outstanding dues of creditors other than of micro enterprises and small enterprises	53,151.93	62,084.81
	62,814.15	**75,194.85**

(i) Ageing as at March 31, 2025

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	8,805.70	819.63	0.85	31.80	-	4.24	9,662.22
Outstanding dues other than micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	41,724.42	8,654.64	2,608.41	58.12	12.97	93.37	53,151.93
Total	**50,530.12**	**9,474.27**	**2,609.26**	**89.92**	**12.97**	**97.61**	**62,814.15**

(ii) Ageing as at March 31, 2024

Particulars	Not due	Outstanding for the following periods from due date of payment: Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	11,586.91	1,482.46	8.35	16.99	2.48	12.85	13,110.04
Outstanding dues other than micro enterprises and small enterprises							
– Disputed dues	-	-	-	-	-	-	-
– Undisputed dues	55,039.14	6,832.16	70.11	41.85	38.59	62.96	62,084.81
Total	**66,626.05**	**8,314.62**	**78.46**	**58.84**	**41.07**	**75.81**	**75,194.85**

(iii) Disclosures under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)".

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2025 has been made in the financial statements based on information received and available with the group. The group has not received any claim for interest from any supplier under the said Act.
This has been relied upon by the auditors.

Details of dues to micro enterprises and small enterprises as defined under the MSMED Act, 2006	As at March 31, 2025	As at March 31, 2024
(a) the amount remaining unpaid to MSMED suppliers as at the end of the year;		
principal*	11,324.75	13,033.71
interest due thereon	2.94	76.33
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
(c) 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);	222.29	44.55
(d) the amount of interest accrued and remaining unpaid at the end of the year;	301.56	76.33
(e) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purposes of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	-	22.57

* Includes dues of micro and small enterprises included within other financial liabilities in note 21

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21 Other financial liabilities	**Non current**		**Current**	
	As at		**As at**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Employee payable	-	-	-	1,202.55
Interest accrued and not-due	-	-	13.82	431.61
Creditors for capital goods				
- Dues to micro and small enterprises	-	-	1,662.53	-
- Dues to other than micro and small enterprises	-	-	774.99	5,158.91
Retention money payable	114.58	77.05	1,493.64	1,200.45
Derivative instruments at fair value through profit or loss - Forward contracts	-	-	6.19	-
Payable towards share based payments [refer note 44]	-	-	950.00	-
	114.58	**77.05**	**4,901.17**	**7,993.52**

22 Provisions	**Non current**		**Current**	
	As at		**As at**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Employee benefits				
Provision for gratuity [refer note 41]	344.38	996.56	98.02	82.86
Provision for leave encashment* [refer note 41]	-	-	900.57	1,319.98
	344.38	**996.56**	**998.59**	**1,402.84**
Others				
Provision for litigations	-	-	199.11	216.43
Provision for others	-	-	118.54	118.54
	-	**-**	**317.65**	**334.97**
	344.38	**996.56**	**1,316.24**	**1,737.81**

*The entire amount of provision is presented current since the group does not have an unconditional right to defer settlement for any of these obligations. However the group does not expect all employee to avail full amount of accrued leave or require payment for such leave within the next 12 months.

(a) Provision for litigation/disputes represents claims against the Company mainly in respect of land related disputes and Value added tax litigations.

Movement in provision for litigations	**As at**	
Particulars	**March 31, 2025**	**March 31, 2024**
Balance at beginning of the year	216.43	248.04
Add: Additions during the year [refer note below]	-	17.34
Less: Utilized/reversed during the year	(17.32)	(48.95)
Balance at end of the year	**199.11**	**216.43**

(b) Provision for others represents the amounts accrued by the Company in respect of certain ROC related matters.

Movement in provision for others	**As at**	
Particulars	**March 31, 2025**	**March 31, 2024**
Balance at beginning of the year	118.54	111.24
Add: Additions during the year	-	7.30
Balance at end of the year	**118.54**	**118.54**

23 Other current and non-current liabilities	**Non current**		**Current**	
	As at		**As at**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Advances from customers	-	-	352.09	445.74
Statutory dues	-	-	2,526.46	914.60
Deferred government grant [refer note 45]	398.19	353.95	-	44.24
Payable towards gratuity fund [refer note 41]	810.35	-	-	-
Interest payable to micro and small enterprises [refer note 20(iii)]	-	-	301.56	-
Others	-	-	-	0.46
	1,208.54	**353.95**	**3,180.11**	**1,405.04**

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24 Revenue from operations	**Year ended**	
	March 31, 2025	**March 31, 2024**
Sale of products	2,87,488.43	2,60,026.85
Other operating revenue		
- Export incentives	57.70	93.66
- Others (including sale of scrap)	815.13	686.52
	2,88,361.26	**2,60,807.03**

Disaggregation of revenue from contracts with customers

a) Reconciling the amount of revenue recognised with contracts and total revenue

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
Total revenue from operations	2,88,361.26	2,60,807.03
Adjustments:		
Other operating revenue		
- Export incentives	57.70	93.66
Total revenue from contracts with customers	**2,88,303.56**	**2,60,713.37**

b) Product-wise revenue

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
Bars	2,64,247.02	2,29,595.34
Billets	308.33	1,915.06
Pig Iron	12,892.50	10,323.15
Coke	7,886.13	14,987.99
Ingots	1,977.03	2,820.38
Slag	177.42	384.93
Total revenue from contract with customers	**2,87,488.43**	**2,60,026.85**
Others (including sale of scrap)	815.13	686.52
Total revenue from operations	**2,88,303.56**	**2,60,713.37**

c) Geography-wise revenue

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
India	2,84,274.83	2,54,601.12
Africa	2,624.21	4,395.16
Europe	255.07	1,200.35
Asia other than India	1,149.45	516.74
Total revenue from contracts with customers	**2,88,303.56**	**2,60,713.37**

d) Timing of revenue recognition

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
Revenue at a point in time	2,88,303.56	2,60,713.37
Revenue over the period	-	-
Total revenue from contracts with customers	**2,88,303.56**	**2,60,713.37**

e) Reconciliation of gross revenue from contracts with customers

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
Revenue as per contracted price	2,95,775.23	2,61,349.79
Less: Discounts, commission and sales returns	(7,471.67)	(636.42)
Total revenue from contracts with customers	**2,88,303.56**	**2,60,713.37**

e) Contract balance

Particulars	**Year ended**	
	March 31, 2025	**March 31, 2024**
Contract assets - Trade receivables (refer note 9)	37,330.63	38,656.15
Contract liabilities - Advance received from customers (refer note 23)		
Balance at beginning of the year	445.74	1,105.24
Amount recognised in revenue out of opening balance	(445.74)	(1,091.28)
Amount received in advance during the year net of revenue recognised	352.09	445.74
Amount refunded to customers	-	(13.96)
Balance at end of the year	**352.09**	**445.74**

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25 Other income	Year ended	
	March 31, 2025	March 31, 2024
Interest income earned on financial assets carried at amortised cost		
Bank deposits	185.11	93.16
Usance letter of credit	149.29	132.45
Other non - operating income		
Liabilities no longer required written back	26.83	1,208.12
Interest income on deposits with Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL) and Punjab State Power Corporation Limited (PSPCL)	118.26	81.13
Gain on disposal of property, plant and equipment	1.26	16.01
Miscellaneous income	601.62	236.00
Government grant	-	44.24
Net gain/(loss) on fair value changes - Derivatives at FVTPL	(6.19)	-
	1,076.18	**1,811.11**

* Liabilities no longer required written back includes ECL provision reversal of INR Nil (March 31, 2024: INR 86.99 lakh (refer note 9))

26 Cost of materials consumed	Year ended	
	March 31, 2025	March 31, 2024
Raw materials		
Inventory at beginning of the year	21,236.47	27,794.07
Add: Purchases (net)	1,70,153.84	1,91,600.45
Less: Inventory at end of the year	18,093.17	21,236.47
Cost of raw materials consumed during the year	**1,73,297.14**	**1,98,158.05**

27 Changes in inventories of finished goods, semi finished goods and work-in-progress	Year ended	
	March 31, 2025	March 31, 2024
Inventories at end of the year (including goods-in-transit, refer note 14)		
Work-in-progress	2,560.79	2,136.39
Semi-finished goods	10,330.97	37,528.09
Finished goods	26,026.67	23,626.77
	38,918.43	**63,291.25**
Inventories at beginning of the year (including goods-in-transit, refer note 14)		
Work-in-progress	2,136.39	2,243.68
Semi-finished goods	37,528.09	16,103.22
Finished goods	23,626.77	19,981.53
	63,291.25	**38,328.43**
	24,372.82	**(24,962.82)**

28 Employee benefits expense	Year ended	
	March 31, 2025	March 31, 2024
Salaries, wages and bonus	10,801.49	10,712.85
Contribution to provident and other funds (refer note 41)	915.50	843.06
Gratuity (refer note 41)	98.73	70.44
Share based payment to employees (refer note 44)	577.30	214.62
Staff welfare expenses	1,087.54	1,011.08
	13,480.56	**12,852.05**

29 Finance costs	Year ended	
	March 31, 2025	March 31, 2024
Interest on financial liabilities carried at amortised cost		
Interest on overdraft/cash credit facilities	3,453.16	2,322.30
Interest on long term borrowings	3,880.25	3,787.07
Interest on lease liabilities	65.61	53.58
Other borrowing costs (includes bill discounting charges, bank charges etc.)	2,136.14	2,711.35
	9,535.16	**8,874.30**

30 Depreciation and amortization expenses	Year ended	
	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment	10,665.77	9,574.44
Depreciation on right of use assets	261.29	210.09
Amortization of intangible assets	143.56	106.44
	11,070.62	**9,890.97**

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31 Other expenses	**Year ended**	
	March 31, 2025	**March 31, 2024**
Rent [refer note 36]	946.46	947.86
Repairs and maintenance - building	285.64	287.38
Repairs and maintenance - plant and machinery	4,771.05	4,791.44
Repairs and maintenance - others	2,271.10	2,222.24
Insurance	637.82	541.76
Rates & taxes	252.39	211.99
Legal and professional charges [refer (ii), (iii) and (iv) below]	733.69	758.31
IT related services	769.53	708.09
Communication expenses	80.07	81.65
Travel and conveyance	131.74	192.99
Freight outward and forwarding charges	10,092.21	8,617.26
Security charges	235.86	224.42
Stores and spares consumed	17,571.17	16,938.40
Power and fuel	14,829.08	12,122.95
Labour charges	2,958.59	2,619.53
Corporate social responsibility expenses [refer note 46]	284.10	374.84
Payment to auditors [refer (i) and (ii) below]	120.27	123.55
Advance to vendors written off	-	35.04
Loss allowance on trade receivables	139.66	-
Provision for doubtful advances	28.01	4.93
Provision for doubtful assets [refer note 45]	213.84	-
Net Loss on foreign currency transaction and translations	717.92	634.63
Property, plant and equipment written off	602.98	1,390.12
Miscellaneous expenses	657.39	695.11
	59,330.57	**54,524.49**

(i) Details of auditors' remuneration and out-of-pocket expenses is as below	**Year ended**	
As auditor	**March 31, 2025**	**March 31, 2024***
Statutory audit fee	92.50	60.00
Group audit fee	-	42.00
Tax audit fee and other certification [including overruns]	12.00	10.00
Reimbursement of expenses **	15.77	11.55
(amounts presented above excludes GST)	**120.27**	**123.55**

* Previous year's fees pertains to erstwhile auditors.

** Reimbursement of expenses for the financial year ended March 31, 2025 includes INR 12.63 lakh paid to erstwhile auditor.

(ii) Legal and other professional charges of previous year includes INR 6.00 lakh paid to erstwhile auditor for the tax audit.

(iii) Legal and other professional charges includes INR 4.44 lakh [March 31, 2024: INR 18.60 lakh] paid to firm in which the partner of audit firm is a partner.

(iv) Legal and other professional charges includes amounts paid to a firm affiliated to the statutory auditors firm through a networking arrangements as registered with the Institute of Chartered Accountants of India, for the year ended March 31, 2025 INR 26.83 lakh [March 31, 2024: INR 96.66 lakh].

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32 Earnings per share (EPS)

	As at	
	March 31, 2025	March 31, 2024
The calculation of profit attributable to equity shareholders and weighted average number of equity shareholdings for the purpose of basic EPS and diluted EPS are as follows:		
Basic earnings per share :		
Attributable to equity holders of the group (in INR absolute numbers)	(0.07)	0.14
Total basic earnings per share	**(0.07)**	**0.14**
Diluted earnings per share :		
Attributable to equity holders of the group (in INR absolute numbers)	(0.07)	0.14
Total diluted earnings per share attributable to equity holders of the group	**(0.07)**	**0.14**
Reconciliation of earnings used in calculating earnings per share :		
Basic earnings per share		
Profit/(loss) attributable to equity shareholders of the group	(1,649.43)	3,281.10
	(1,649.43)	**3,281.10**
Diluted earnings per share		
Profit/(loss) attributable to equity shareholders of the group		
Used in calculating basic EPS	(1,649.43)	3,281.10
Used in calculating diluted EPS	(1,649.43)	3,281.10
Weighted average number of shares used as the denominator :		
Weighted average number of equity shares used as the denominator in calculating basic EPS	2,40,20,79,056	2,40,20,79,056
Adjustments for calculation of basic EPS		
effect of treasury shares	-	(3,30,30,682)
Weighted average number of equity shares used as the denominator in calculating basic EPS	**2,40,20,79,056**	**2,36,90,48,374**
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted EPS	**2,40,20,79,056**	**2,36,90,48,374**

33 Capital management

Risk management

The group's objectives when managing capital are to:

(i) 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

(ii) Maintain an optimal capital structure to reduce the cost of capital.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors and creditors and to sustain future development and growth of its business. The group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

The group monitors capital using a ratio of 'adjusted net debt' to 'equity':

Adjusted net debt (total interest-bearing borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and bank deposits disclosed under other non-current financial assets)

divided by

Total equity (as shown in the balance sheet)

The gearing ratios were as follows:

Particulars	As at	
	March 31, 2025	March 31, 2024
Long term borrowings	41,479.45	49,265.56
Lease liabilities	579.61	601.78
Short term borrowings	44,683.70	40,681.48
Total Borrowings	**86,742.76**	**90,548.82**
Less:		
Cash and cash equivalents	1,148.39	2,998.08
Bank balances other than cash and cash equivalents	-	35.57
Bank deposits disclosed under other financial assets	5,397.50	1,573.74
Net debt	80,196.87	85,941.43
Total equity	1,20,341.46	1,20,757.31
Net debt to equity ratio	0.67	0.71

For the purpose of the group's capital management, borrowings includes short term borrowings including overdraft facility, long term borrowings and lease liabilities.

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34 Financial instruments

A Financial instruments by category

The carrying value and fair value of financial instruments by each category as at March 31, 2025 were as follows:

Particulars	Carrying value			Fair value
	Balances at amortised cost	Balances at FVTOCI	Balances at FVTPL	
Financial assets				
Investments	-	734.78	-	734.78
Trade receivables	37,330.63	-	-	37,330.63
Cash and cash equivalents	1,148.39	-	-	1,148.39
Other non current financial assets	5,444.19	-	-	5,444.19
Other current financial assets	248.00	-	-	248.00
Financial liabilities				
Borrowings from banks (includes current maturities of long term debt)	86,163.15	-	-	86,163.15
Non current lease liabilities	310.69	-	-	310.69
Current lease liabilities	268.92	-	-	268.92
Trade payables	62,814.15	-	-	62,814.15
Derivative liabilities [Forward contract]	-	-	6.19	6.19
Other financial liabilities [excluding the derivative liabilities]	5,009.56	-	-	5,009.56

The carrying value and fair value of financial instruments by each category as at March 31, 2024 were as follows:

Particulars	Carrying value			Fair value
	Balances at amortised cost	Balances at FVTOCI	Balances at FVTPL	
Financial assets				
Investments	-	849.47	-	849.47
Trade receivables	38,656.15	-	-	38,656.15
Cash and cash equivalents	2,998.08	-	-	2,998.08
Bank balances other than cash and cash equivalents	35.57	-	-	35.57
Other non current financial assets	1,705.34	-	-	1,705.34
Other current financial assets	177.17	-	-	177.17
Financial liabilities				
Borrowings from banks (includes current maturities of Long term debt)	54,096.26	-	-	54,096.26
Borrowings from others	35,850.78	-	-	35,850.78
Non current lease liabilities	396.55	-	-	396.55
Current lease liabilities	205.23	-	-	205.23
Trade payables	75,194.85	-	-	75,194.85
Other financial liabilities [excluding the derivative liabilities]	8,070.57	-	-	8,070.57

B Fair value hierarchy

The carrying value and fair value of financial instruments by hierarchy as at March 31, 2025 were as follows:

Particulars	Carrying value		Fair value	
	Balances at FVTOCI	Balances at FVTPL	Level 2	Level 3
Financial assets				
Investments	734.78	-	-	734.78
Financial liabilities				
Derivative liabilities (Forward contract)	-	6.19	6.19	-

The carrying value and fair value of financial instruments by hierarchy as at March 31, 2025 were as follows:

Particulars	Carrying value		Fair value	
	Balances at FVTOCI	Balances at FVTPL	Level 2	Level 3
Financial assets				
Investments	849.47	-	-	849.47

Movement in Level 3 financial instruments measured at fair value

Particulars	March 31, 2025	March 31, 2024
Balance at beginning of the year	849.47	849.47
Purchase	734.78	-
Transfers in or out of Level 3	-	-
Other comprehensive income	(849.47)	-
Balance at end of the year	**734.78**	**849.47**

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34 Financial instruments [Contd.]

Measurement of fair values:

Valuation techniques and significant unobservable inputs

The following table show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as significant unobservable inputs used.

Type	Valuation technique
Financial assets and liabilities measured at fair value through profit or loss (Derivative instruments)	**Forward contracts:** The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit risk quality yield curves in the respective currency.
Financial assets and liabilities measured at amortised cost	**Discounted cash flows:** The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. For issued debt, the interest rate is derived from market observable date such as secondary prices for its external debt itself. Cash and cash equivalents, trade receivables, bank deposits, other financial assets, trade payables, lease liabilities and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature. Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
Financial assets and liabilities measured at Fair value through other comprehensive income	Costs of certain unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost less impairment (if any), represents the best estimate of fair value within that range. Accordingly, there are no significant unobservable inputs. These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. The group has chosen to designate these investments in equity instruments at FVTOCI as the management believe that provides a more meaningful presentation for medium or long term strategic investments, than reflecting changes in fair value immediately in profit and loss.

The group has not classified any financial asset or liability under level 1.

There has been no change in the valuation methodology for level 3 inputs during the year. There were no transfers between level 1 and level 2 during the year.

C Derivative financial instruments

The group is exposed to foreign currency fluctuations on foreign currency assets/ liabilities. The group follows established risk management policies, including the use of derivatives to hedge foreign currency assets/ liabilities. The group regularly reviews its foreign exchange forward positions both on a consolidated basis and in conjunction with its underlying foreign currency related exposures and monitors the potential risk arising out of the market factors like exchange rates on a regular basis. The counterparty in these derivative instruments is a bank and the group considers the risks of non-performance by the counterparty as non-material. The group does not hold or issue derivative financial instruments for trading purposes. All the transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

The following table presents the aggregate contracted principal amounts of the group's derivative contracts outstanding:

Particulars	March 31, 2025	March 31, 2024
Forward contracts		
in USD million	2.99	-
Average rate	85.79	-
in INR lakh	2,565.12	-
Maturity profile	within 12 months	-

The following table sets out the fair value of derivatives held by the group as at the end of the reporting period:

Particulars	As at March 31, 2025		March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Forward Contracts	-	6.19	-	-
Classification				
Non current	-	-	-	-
Current	-	6.19	-	-

35 Financial risk management

The group has exposure to the following risks from its use of financial instruments:

1 Credit risk
2 Liquidity risk
3 Market risk
4 Commodity risk

The Board of Directors of the respective companies has overall responsibility for the establishment and oversight of the group's risk management framework. The Board of Directors, supported by finance, legal, compliance team and risk management committee, identify and analyse the risks faced by the group, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the group's activities. The board is assisted in its oversight role by internal audit team. Internal audit team undertakes reviews of risk management controls and procedures, the results of which are reported to the Board.

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(all amounts are rupees in lakh, unless otherwise stated)

35 Financial risk management [Contd.]

1 Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and it arises principally from the group's trade receivables, treasury operations and related activities. The carrying amount of financial assets represent maximum exposure to credit risk. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred such as a breach of contract, significant financial difficulty, it is probable that debtor will enter bankruptcy or other financial reorganisation. The group has established a credit policy under which each new customer is analysed individually for credit worthiness before the group's standard payment and delivery terms and conditions are offered. The group's review includes background KYC verification, historical financial information of the customer's business, industry information, etc. (as applicable). The group measures the amount of expected credit loss ['ECL'] on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The group considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default ['PD'], loss given default ['LGD'] and exposure at default ['EAD']. EAD represents the expected exposure in the event of a default. EAD represents the gross carrying amount of the financial instruments subject to the impairment calculation. LGD represents estimated financial loss the group is likely to suffer in respect of default accounts and it is used to calculate provision requirement on EAD along with PD.

Trade and other receivables:

Management considers that the demographics of the group's customer base, including the default risk of the industry in which customers operate, has less of an influence on credit risk. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the group grants credit terms in the normal course of the business.

Exposures to customers outstanding at the end of each reporting year are reviewed by the group to determine incurred and expected credit losses. Historical trend of impairment of trade receivables do not reflect any significant credit losses. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2025 is considered adequate.

The credit quality of the group's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The group uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables/contract assets. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the group actively seeks to recover the amounts in question and enforce compliance with credit terms.

For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

Investments

The group limits its exposure to credit risk by generally investing in securities with counter-parties that have a good credit rating. The group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Cash and cash equivalents:

Credit risk on cash and bank balances is limited as the group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Exposure to credit risk

The carrying amount of financial assets, net of any impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2025 and March 31, 2024 was as follows:

Particulars	March 31, 2025	March 31, 2024
Investments	734.78	849.47
Trade receivables	37,330.63	38,656.15
Bank balances other than cash and cash equivalents	-	35.57
Other financial assets [current and non current]	5,692.19	1,882.51

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due other than trade receivables [refer note 9]. The ageing of trade receivables and allowances are given below:

As at March 31, 2025

Ageing	Gross carrying amount	Weighted average loss rate	Loss allowance	Net carrying value
Within the credit period	17,651.86	0.16%	28.65	17,623.21
0-1 months past due	11,056.99	0.27%	29.38	11,027.61
1-2 months past due	5,658.32	0.77%	43.72	5,614.60
2-3 months past due	1,680.73	1.54%	25.86	1,654.87
3 months and above	1,473.38	4.28%	63.04	1,410.34
Total	**37,521.28**		**190.65**	**37,330.63**

As at March 31, 2024

Ageing	Gross carrying amount	Weighted average loss rate	Loss allowance	Net carrying value
Within the credit period	21,184.29	0.08%	16.30	21,167.99
0-1 months past due	10,854.81	0.13%	14.21	10,840.60
1-2 months past due	4,555.11	0.37%	17.01	4,538.10
2-3 months past due	1,189.67	0.87%	10.39	1,179.28
3 months and above	948.39	1.92%	18.21	930.18
Total	**38,732.27**		**76.12**	**38,656.15**

There are no other trade receivables, loans and financial assets which have a significant increase in the credit risk other than those reported in note 9 and note 10.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, bank deposits and other financial assets are neither past due nor impaired.

Concentration of trade receivables

The group's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	March 31, 2025	March 31, 2024
India	35,974.62	37,581.79
Outside India	1,356.01	1,074.36
Total	**37,330.63**	**38,656.15**

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35 Financial risk management (Contd.)

2 Liquidity risk:

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. In addition, the group has concluded arrangements with well reputed banks and also plans to negotiate additional facilities for funding as and when required. The group has established an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities.

The following are the contractual maturities of financial liabilities, excluding estimated interest payments and excluding the impact of netting agreements. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay.

Particulars	Carrying amount	Contractual cash flows	0-12 Months	1-3 years	More than 3 years
As at March 31, 2025					
Non-derivative financial liabilities					
Long term borrowings from bank (including current maturities)	50,384.33	50,608.32	8,978.73	15,248.25	26,381.34
Lease liabilities	579.61	638.58	309.96	315.95	12.67
Short term facilities with bank	35,778.82	35,778.82	35,778.82	-	-
Trade payables	62,814.15	62,814.17	62,814.17	-	-
Other financial liabilities [refer note 21]	5,009.56	5,009.56	4,894.98	114.58	-
Derivative financial liabilities					
Forward contracts	6.19	6.19	6.19	-	-
As at March 31, 2024					
Non-derivative financial liabilities					
Long term borrowings from bank (including current maturities)	20,020.89	20,138.54	6,666.05	10,392.72	3,079.77
Borrowings from others [refer note 19(e)]	35,850.78	35,850.78	-	-	35,850.78
Lease liabilities	601.78	672.92	237.66	383.41	51.85
Short term facilities with bank	34,075.37	34,075.37	34,075.37	-	-
Trade payables	75,194.85	75,194.85	75,194.85	-	-
Other financial liabilities [refer note 21]	8,070.57	8,070.57	7,993.52	77.05	-

3 Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The group is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the group's exposure to market risk is a function of borrowing activities as well as revenue generating and operating activities in foreign currencies.

a) Currency risk

The group's exposure in USD and EUR transactions gives rise to exchange rate fluctuation risk. Group's policy in this regard incorporates

- Forecasting inflows and outflows denominated in USD and EUR for a 12-month period
- Estimating the net exposure in foreign currency, in terms of timing and amount
- Determining the extent to which exposure should be protected through one or more risk-mitigating instruments to maintain the permissible limits of uncovered exposures.

Sensitivity analysis below is made on the closing balances as on respective reporting dates.

The group's exposure to foreign currency risk as at March 31, 2025 and March 31, 2024 was as follows:

Particulars	March 31, 2025		March 31, 2024	
	USD*	EUR*	USD*	EUR*
Cash and cash equivalents	14.11	-	44.43	-
Trade receivables	175.67	1,180.34	41.01	1,033.35
Trade payables	(13,290.78)	(6.39)	(29,756.60)	-
Other current assets	-	-	433.54	183.62
Other financial liabilities	(440.52)	(301.00)	(102.18)	(769.58)
Other current liabilities	-	-	(43.25)	-
Borrowings	-	-	(35,850.78)	-
Net balance sheet exposure	**(13,541.52)**	**872.95**	**(65,233.83)**	**447.39**

A 1% strengthening of the rupee against the respective currencies as at March 31, 2025 and March 31, 2024 would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for previous year.

Change in profit / (loss) and equity	March 31, 2025	March 31, 2024
USD*	135.42	652.34
EUR*	(8.73)	(4.47)

A 1% weakening of the rupee against the above currencies as at March 31, 2025 and March 31, 2024 would have had the equal but opposite effect on USD/EUR to the amounts shown above, on the basis that all other variables remain constant.

* The amounts disclosed above are in the functional and presentation currency (i.e., INR lakh)

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35 Financial risk management (Contd.)

b) Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the group.

At the reporting date, the interest rate profile of the group's interest bearing financial instruments were as follows:

Particulars	Carrying amounts	
	March 31, 2025	March 31, 2024
I. Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	5,397.50	1,609.31
II. Variable rate instruments		
Financial liabilities		
- Borrowings from banks (including overdrafts)	86,163.15	54,096.26
- Borrowings from others	-	35,850.78

Cash flow sensitivity for fixed rate instruments-

The group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss as the effective interest rates equates the fair value.

Cash flow sensitivity for variable rate instruments-

An increase of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit/loss by the amounts shown below. A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown below, on the basis that all other variables remain constant.

Particulars	March 31, 2025		March 31, 2024	
	100bp increase	100bp decrease	100bp increase	100bp decrease
Profit/(loss) and equity - (Variable rate liabilities)	(895.44)	895.44	(1,145.37)	1,145.37
Profit/(loss) and equity - (Variable rate assets)	202.15	(202.15)	179.42	(179.42)

4 **Commodity price risk**

The group doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

36 Leases

Operating lease: group as lessee (as per IND AS 116)

The group has entered into various lease arrangements relating to office premises, warehouses, laptops and vehicles. These leases are for a duration of less than twelve months or leases of low values. These arrangements are cancellable in nature and do not have any lock in period, accordingly future minimum lease payments are not disclosed. Amount of INR 946.46 lakh [March 31, 2024: INR 947.86 lakh] is recorded in Consolidated Statement of Profit and Loss [refer note 31]

37 Segment information

The group is in the business of manufacturing special steel products having similar economic characteristics, primarily with operations in India and regularly reviewed by the Chief Operating Decision Maker (Board of directors of the parent company) for assessment of group's performance and resource allocation. Therefore, the group has only one reportable segment.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

a) Revenue from operations

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
India	2,84,332.53	2,54,694.78
Africa	2,624.21	4,395.16
Europe	255.07	1,200.35
Asia other than India	1,149.45	516.74
Total	**2,88,361.26**	**2,60,807.03**

b) Non current assets

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

c) Customers contributing more than 10% of revenue

The group is not reliant on revenue from transactions from single external customer and does not receive 10% or more of its revenue from transactions with any single external customer.

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38 Related party disclosures

A Names of related parties and related party relationship:

Name	Relationship
a) Parent information	
Skand Private Limited	Ultimate holding company with effect from November 11, 2024
The Sandur Manganese & Iron Ores Limited	Holding company with effect from November 11, 2024
ADV Partners Pte Limited, Singapore	Ultimate holding company till November 10, 2024
Blue Coral Investment Holdings Pte Ltd, Singapore	Intermediary holding company till November 10, 2024
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	Immediate holding company till November 10, 2024
b) Key management personnel	
Bahirji Ajai Ghorpade	Chairman and Non-executive director with effect from November 11, 2024 to March 20, 2025, Chairman and Managing Director with effect from March 21, 2025
Uttam Kumar Bhageria	Non-executive director with effect from November 11, 2024 to March 20, 2025 and Executive Director with effect from March 21, 2025
Sridhar Krishnamoorthy	Managing Director till December 18, 2024
Ramaswamy Visweswaran	Whole Time Director till December 18, 2024
Anand Pasupuleti	Chief Executive Officer with effect from December 11, 2024
Sham Krishna	Chief Financial Officer
Satyanarayan Mohanty	Company Secretary
Suresh Eshwara Prabhala	Director till November 11, 2024
Gaurav Pawan Kumar Podar	Director till November 11, 2024
c) Directors	
Gregor Johannes Muenstermann	Independent Director
Dr Aruna Sharma	Independent Director
Ajay Hari Tandon	Independent Director
Gururaj Pandurang Kundargi	Independent Director with effect from November 11, 2024
Anand Sen	Independent Director with effect from November 11, 2024
d) Employee benefit trust	
Arjas Steel Employee Benefit Trust	Controlled Trust [refer note (ii) below]
e) Entity over which Key managerial personnel or their relative have significant influence	
Lohagiri Industrial Private Limited	Related party with effect from November 11, 2024
f) Entity in which parent company has invested more than twenty percentage of their equity	
Amplus Arjas Solar Private Limited	Refer note (iv) below

B Transactions with related parties:

The following table provides the total transactions that have been entered into with related parties for the relevant financial year:

	Year ended	
Particulars	**March 31, 2025**	**March 31, 2024**
a) Interest expense on Loan		
Blue Coral Investment Holdings Pte Ltd, Singapore	1,346.89	2,346.96
b) Short term employee benefits		
Remuneration to key management personnel [refer note(iii) below]	651.82	570.23
c) Others		
Reimbursements to key management personnel and directors	13.31	16.54
Sitting fees and commission to independent directors	86.20	66.95
d) Loans repaid		
Blue Coral Investment Holdings Pte Ltd, Singapore	36,313.07	8,221.69
e) Investment		
Amplus Arjas Solar Private Limited	734.78	-
f) Interest expenses		
The Sandur Manganese & Iron Ores Limited	0.34	-
g) Purchases		
The Sandur Manganese & Iron Ores Limited	1,596.38	-
Lohagiri Industrial Private Limited	107.56	-
h) Power and fuel		
Amplus Arjas Solar Private Limited	294.61	-

(all amounts are rupees in lakh, unless otherwise stated)

38 Related party disclosures [Contd.]

C Amount payable / receivable from related parties:

Particulars	As at March 31, 2025	As at March 31, 2024
a) Borrowings		
Blue Coral Investment Holdings Pte Ltd, Singapore	-	35,850.78
b) Interest accrued payable, not due		
Blue Coral Investment Holdings Pte Ltd, Singapore	-	204.62
The Sandur Manganese & Iron Ores Limited	0.34	-
c) Equity share capital		
The Sandur Manganese & Iron Ores Limited	2,37,651.98	-
Blue Coral Investment Holdings Pte Ltd Y CIA SRC, Spain	-	2,34,792.72
d) Commission and sitting fees payable	32.55	26.50
e) Investment		
Amplus Arjas Solar Private Limited	734.78	-
f) Trade payable		
Lohagiri Industrial Private Limited	69.96	-
Amplus Arjas Solar Private Limited	294.48	-
g) Security deposit		
The Sandur Manganese & Iron Ores Limited	20.03	-

(i) Outstanding balances at the year end are unsecured and settlement occurs in cash.

(ii) The assets and liabilities of the aforesaid trust have been accounted for as the assets and liabilities of the company on the basis that such trust is merely acting as the agent of the company.

(iii) Post employment benefits: The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the respective companies in the group as a whole.

(iv) The investment in Amplus Arjas Solar Private Limited [AASPL] is not accounted as "Investment in Associate" as the Company does not have any significant influence over AASPL as it will not be involved in the management of AASPL and it will not appoint/nominate any directors in AASPL.

(v) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There is no amounts receivable/ payable in respect of the related parties have been written off/ back during the year.

D Additional information as required by Part III of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013.

As at March 31, 2025

Particulars		Parent Arjas Steel Private Limited	Indian subsidiary Arjas Modern Steel Private Limited	Total elimination/ consolidation adjustments	Total
Net assets i.e., total assets minus total liabilities	As % of consolidated net assets	109.40%	(8.15%)	(1.25%)	100.00%
	rupees in lakhs	1,31,658.44	(9,816.97)	(1,500.00)	1,20,341.46
Share of profit/(loss)	As % of consolidated profits	(134.68%)	234.68%		100.00%
	rupees in lakhs	2,221.37	(3,870.80)	-	(1,649.43)
Share of other comprehensive income	As % of consolidated other comprehensive income	107.92%	(7.92%)		100.00%
	rupees in lakhs	(860.52)	63.15	-	(797.37)
Share of total comprehensive income/(loss)	As % of total comprehensive	(55.62%)	155.62%	0.00%	100.00%
	rupees in lakhs	1,360.85	(3,807.65)	-	(2,446.80)

As at March 31, 2024

Particulars		Parent Arjas Steel Private Limited	Indian subsidiary Arjas Modern Steel Private Limited	Total elimination/ consolidation adjustments	Total
Net assets i.e., total assets minus total liabilities	As % of consolidated net assets	106.22%	(4.98%)	(1.24%)	100.00%
	rupees in lakhs	1,28,266.64	(6,009.33)	(1,500.00)	1,20,757.31
Share of profit/(loss)	As % of consolidated profits	141.14%	(42.42%)	1.28%	100.00%
	rupees in lakhs	4,630.90	(1,391.93)	42.13	3,281.10
Share of other comprehensive income	As % of consolidated other comprehensive income	27.83%	72.17%		100.00%
	rupees in lakhs	(36.84)	(95.53)	-	(132.37)
Share of total comprehensive income/(loss)	As % of total comprehensive	145.90%	(47.24%)	1.34%	100.00%
	rupees in lakhs	4,594.06	(1,487.46)	42.13	3,148.73

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39 Capital and other commitments [to the extent not provided for]

The group has a process whereby all long term contracts are assessed for material losses. The group did not have any long-term contracts including derivative contracts for which there were no foreseeable losses.

	As at	
	March 31, 2025	**March 31, 2024**
Estimated amount of contracts remaining to be executed on capital account		
Property, plant and equipment	4,059.28	14,864.41
Intangible assets	30.95	13.61
	4,090.23	**14,878.02**

40 Contingent liabilities

	As at	
	March 31, 2025	**March 31, 2024**
Claims against the group not acknowledged as debts		
Service tax	100.22	100.22
Income tax	-	16.10
Goods and service tax	325.54	302.74
Sales tax	1,894.89	1,894.89
Value added tax	253.49	598.02
Entry tax	690.56	690.56
Others [refer note (ii) below]	247.76	249.00
	3,512.46	**3,851.53**

(i) The group is involved in various legal proceedings, including claims against the group pertaining to income tax, excise, service tax, sales tax value added tax, entry tax and other regulatory matters relating to conduct of its business.

(ii) Others represents claims against the group not acknowledged as debts in respect of land disputes, labour disputes, electricity matters and other litigations.

(iii) The group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the consolidated financial statements. Regarding the amounts disclosed above it is not practicable to disclose the information on the possibility of any reimbursement as it is determinable only on occurrence of any future events.

(iv) It is not practicable for the group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. Future cash flow in respect of the above, if any, is determinable only on receipt of judgement/ decisions pending with relevant authorities. The group does not expect the outcome of the matters stated above to have a material adverse impact on the group's financial condition, results of operations or cash flows.

(v) The parent company provided guarantee of INR 25,000 lakhs [March 31, 2024: INR 25,000 lakhs] towards credit facilities availed by the immediate subsidiary company from their bankers and valid till February 10, 2027.

41 Employee benefit plans

(i) Defined contribution plan

In accordance with the law, all employees of the group are entitled to receive benefits under the provident and pension fund. Under defined contribution plan, provident and pension are contributed to the government administrated provident fund. The group has no obligation other than the contribution to the provident and pension fund.

Amounts towards defined contribution plans have been recognised under "Contributions to provident and other funds" in note 28: INR 723.75 lakhs [March 31, 2024: INR 673.86 lakhs].

(ii) Defined benefit plans

Gratuity

The group operates post-employment defined benefit plan that provides gratuity, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

Gratuity for employees of parent company is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

Gratuity for employess of immediate subsidiary company is unfunded.

These defined benefit plan expose the group to actuarial risks, such as interest rate risk, salary escalation risk, demographic risk etc.

Risk exposure to defined benefit plans

Interest rate risk:

The plan exposes the group 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 consolidated financial statements).

Salary escalation risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants 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 group has used certain mortality and attrition assumptions in valuation of the liability and there is a risk that these may change.

Regulatory risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

Asset liability mismatching or market risk:

The duration of the liability is longer compared to duration of assets, exposing the group 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.

Variability in withdrawal rates:

If actual withdrawal rates are higher than assumed withdrawal rate assumptions, the gratuity benefits will be paid extra than evaluated. The impact of this will depend on where benefits are vested as at resignation date.

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(all amounts are rupees in lakh, unless otherwise stated)

41 Employee benefit plans [Contd.]

Balances of defined benefit plan

The amount included in the balance sheet arising from the company's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of funded defined benefit obligation	1,511.56	1,390.43
Present value of unfunded defined benefit obligation	442.40	471.38
Fair value of plan assets	701.21	782.39
Net liability arising from gratuity	**(1,252.75)**	**(1,079.42)**
Non current	(1,154.73)	(996.56)
Current	(98.02)	(82.86)

Expenses recognised for defined benefit plan and movement of plan assets and liabilities

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2025. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the group's Consolidated Financial Statements as at balance sheet date:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Components of expense recognised in the Consolidated Statement of Profit and Loss		
Current service cost	213.35	185.39
Interest cost	133.03	116.82
Interest income	(55.90)	(62.57)
Total (A)	**290.48**	**239.64**
Expense recognised in the Consolidated Statement of Profit and Loss towards funded gratuity	191.75	169.20
Expense recognised in the Consolidated Statement of Profit and Loss towards unfunded gratuity	98.73	70.44
	290.48	**239.64**
B. Components of defined benefit costs recognised in other comprehensive income		
Remeasurement on the net defined benefit liability:		
-Return on plan assets (excluding amounts included in net interest expense)	4.51	0.52
-Actuarial (gains) and losses arising from changes in demographic assumptions	2.27	(117.84)
-Actuarial (gains) and losses arising from changes in financial assumptions	(60.09)	243.47
-Actuarial (gains) and losses arising from experience adjustments	1.19	6.22
Total (B)	**(52.12)**	**132.37**
C. Movements in the present value of the defined benefit obligation		
Opening defined benefit obligation	1,861.81	1,596.95
Current service cost	213.35	185.39
Interest cost	133.03	116.82
Remeasurement (gains)/losses:		
-Actuarial (gains) and losses arising from changes in demographic assumptions	2.27	(117.84)
-Actuarial (gains) and losses arising from changes in financial assumptions	(60.09)	243.47
-Actuarial (gains) and losses arising from experience adjustments	1.19	6.22
Benefits paid	(197.60)	(169.20)
Closing defined benefit obligation (C)	**1,953.96**	**1,861.81**
D. Movements in the fair value of the plan assets		
Opening fair value of plan assets	782.39	855.24
Investment income (Interest)	55.90	62.57
Remeasurement gain (loss):		
-Return on plan assets (excluding amounts included in net interest expense)	(4.51)	(0.52)
Contributions from employer	0.48	7.51
Benefits paid	(133.05)	(142.41)
Closing fair value of plan assets (D)	**701.21**	**782.39**

Category wise plan assets

The fair value of the plan assets at the end of the reporting period for each category, are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Insurer managed funds	100%	100%
Maturity profile of defined benefit obligation		
Weighted average duration (based on discounted cashflows)	4 to 5 years	5 years
Expected cash flows over the next (valued on undiscounted basis):	Amount in INR	
1 year	323.57	305.83
2 to 5 years	1,091.14	1,041.36
6 to 10 years	780.25	823.66
More than 10 years	716.32	736.42

Fund is managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available.

The above plan assets are unquoted instruments.

(iii) Other long term benefits [Compensated absences]

The group provides compensated absences benefits to the employees of the group which can be carried forward to future years. They are therefore accrued using actuarial valuations and are measured as the present value of expected future payments to be made in respect of services provided by employees.

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41 Employee benefit plans [Contd.]

Expenses in Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Leave encashment	50.94	187.35
Total	**50.94**	**187.35**

Liability as at balance sheet date

Particulars	As at March 31, 2025	As at March 31, 2024
Non current	-	-
Current	900.57	1,319.98
Total	**900.57**	**1,319.98**

Sensitivity analysis:

Significant actuarial assumptions 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 possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Defined benefit obligation for decrease in % of assumption	Defined benefit obligation for increase in % of assumption	Defined benefit obligation for decrease in % of assumption	Defined benefit obligation for increase in % of assumption
Discount rate (- / +1%)	2,061.86	(1,856.02)	1,964.69	(1,768.37)
(% change compared to base due to sensitivity)	5.52%	(5.01%)	5.53%	(5.02%)
Salary growth rate (- / +1%)	(1,863.14)	2,050.04	(1,775.55)	1,952.89
(% change compared to base due to sensitivity)	(4.65%)	4.92%	(4.63%)	4.89%
Attrition rate (- / +50% of attrition rates)	2,122.35	(1,860.37)	2,064.38	(1,756.57)
(% change compared to base due to sensitivity)	8.62%	(4.79%)	10.88%	(5.65%)
Mortality rate (- / +10% of mortality rates)	1,954.33	(1,953.59)	1,862.23	(1,861.39)
(% change compared to base due to sensitivity)	0.02%	(0.02%)	0.02%	(0.02%)

The best estimate of the expected contribution for the next year amounts to INR 810.35 lakh [March 31, 2024: INR 745.50 lakh].

Principal assumptions

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For Gratuity		For Other long term benefits	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1. Discount rate	6.50%	7.15%	6.50%	7.15%
2. Salary escalation	10.00%	10.66% to 12.74%	10.00%	10.66% to 12.74%
3. Withdrawal rate	14.00% to 22.00%	15.23% to 17.57%	14.00% to 22.00%	15.23%
4. Retirement age	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years	58 or 60 years For directors 65 years

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(iii) Assumptions regarding future mortality and experience are set in accordance with published rates under Indian assured lives mortality 2012-2014 [March 31, 2024: 2012-2014]

(iv) The parent 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 part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the parent company is exposed to movement in interest rate (in particular ,the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

42 (a) Daily back-up: The Companies (Accounts) Amendments Rules 2022 mandates maintenance of backup of company's books of account and other books and papers maintained in electronic mode on servers physically located in India on a daily basis. The parent company and immediate subsidiary company uses accounting software for maintaining their respective books of account and have maintained back-up of such books of account on a daily basis in a server physically located in India except for certain payroll records wherein back-up is not stored in a server physically located in India.

(b) Audit trail: The Ministry of Corporate Affairs (MCA) has made it mandatory for companies to maintain an audit trail throughout the year for transactions impacting books of accounts. The parent company and immediate subsidiary company uses accounting software for maintaining their respective books of account for the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that:

- in respect of one software, the audit trail feature was not enabled for certain critical tables/master records throughout the year and audit trail was not enabled at the database level to log any direct data changes. The respective companies are in the process of complying with the requirements of enabling the audit trail feature as required for certain critical tables/master records for the software.

- in respect of another software operated by a third-party software service provider and used by the parent company and immediate subsidiary company for maintaining certain payroll records, the independent auditor's system and organisation controls reports does not cover audit trail related reporting. The respective companies are in process of discussing with the third party software provider to include the audit trail related reporting in the independent auditor's system and organisation controls report.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the respective companies as per the statutory requirements for record retention.

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43 Additional disclosures required by Schedule III to the Companies Act, 2013;

(i) The group does not have any benami property, where any proceeding has been initiated or pending against the group for holding any benami property.

(ii) The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The group has not traded or invested in crypto currency or virtual currency during the financial year.

(iv) 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 parent company and the immediate subsidiary company to or in any other person(s) or entity, 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 parent company and the immediate subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(v) No funds have been received by the parent company and the immediate subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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.

(vi) The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(vii) The group is not declared as wilful defaulter by any bank or financial institution (as defined under the companies act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(viii) The group has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the companies act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The group has not entered into any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended March 31, 2025.

(x) The group has not revalued any of its property, plant and equipment (including right-of-use Assets) during the year.

44 The parent company had given a loan of INR 962.10 lakh to Arjas Steel Employee Benefit Trust ['Trust'] formed vide Trust Deed executed on November 12, 2019. The above trust was incorporated primarily for the purposes of implementing an employee stock option plan ['ESOP']. During the year ended March 31, 2020, the above trust purchased 56,28,860 equity shares of INR 10 each and 1,75,90,189 0.1% non - cumulative redeemable preference shares of INR 10 each of the parent company, held by erstwhile directors cum shareholders of the parent company and their relatives for an aggregate consideration of INR 961.73 lakh. During the year ended March 31, 2022, these non-cumulative redeemable preference shares were converted into equity shares of INR 10 each.

The Trust is a distinct legal entity created primarily for the purpose of implementing the above ESOP scheme and the shares purchased by it during the year ended March 31, 2020 are solely for the purpose of issuance to employees under the ESOP Scheme. Since, the Trust is acting as an agent of the parent company solely for the purpose of aforesaid Scheme, the assets and liabilities of the Trust have been accounted for as the assets and liabilities of the parent company. The equity shares held by the Trust is disclosed as treasury shares in the equity.

During the year ended March 31, 2022, the equity shareholders of the parent company approved the Arjas Employee Stock Option Scheme 2022 and creation and grant of 3,30,30,682 (three crore thirty lakh thirty thousand six hundred and eighty-two) options to identified employees of the parent company under the Arjas Employee Stock Option Scheme 2022.

During the current year, pursuant to the Share Purchase Agreement, the equity shares held by the Trust is sold to The Sandur Manganese & Iron Ores Limited for a net consideration of INR 2,660.79 lakh resulting in a gain of INR 1,441.92 lakh (net of capital gain tax paid by the Trust) which is being recognized in securities premium account. Consequently, the options granted to the employees have lapsed during the year. Accordingly, the parent company has reversed INR 372.70 lakh of share-based payment expenses recorded till March 31, 2024 with a corresponding debit to equity settled share based payment reserve.

In terms of the Scheme, the employees are eligible to receive Trust Distributable amount (representing consideration received by the Trust, net of taxes and other liabilities of the Trust) subject to their continuing employment with the parent company for the specified period. Accordingly, the parent company has recognized INR 950 lakh of Trust Distributable amount as share-based payment expense.

A Share based payment plan

The following tables provides the disclosures as required by Ind AS 102 'Share based payments'.

Arjas Employee Stock Option Scheme	**Options**
No. of options granted	3,30,30,682
Grant date	July 5, 2022
Grant price (INR per share)	10.1
Fair Value on the date of grant of option [INR per share]	6.5
Method of settlement	Equity
Method of Accounting	Fair value
Graded vesting plan	Vesting of the options shall be in a single instalment
Normal exercise period	The exercise can be done after 5 years from the date of vesting or at the change in control event

B Movement of option activity under employee share option plan and changes for year ended March 31, 2025

Particulars	**Share Options**	**Weighted average exercise price**	**Weighted average remaining contractual term**	**Weighted average intrinsic value**
Stock options outstanding as at April 1, 2024	3,30,30,682	10.10	5.26	
Stock options granted	-	-	-	-
Stock options forfeited/lapsed	(3,30,30,682)	(10)	(5)	-
Stock options surrender	-	-	-	-
Stock options exercised	-	-	-	-
Stock options outstanding as at March 31, 2025	-	-	-	-
Stock options exercisable as at March 31, 2025	-	-	-	-
Stock options unvested as at March 31, 2025	-	-	-	-
Weighted average fair value as on grant date of the options outstanding				-

The expense recognised in the Consolidated Statement of Profit and Loss during the year is INR 577.30 lakh (March 31, 2024: INR 214.62 lakh).
During the year The Sandur Manganese & Iron Ores Limited purchased the shares held with Arjas Employee Benefit Trust.

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Movement of option activity under employee share option plan and changes for year ended March 31, 2024

Particulars	Share Options	Weighted average exercise price	Weighted average remaining contractual term	Weighted average intrinsic value
Stock options outstanding as at April 1, 2023	3,30,30,682	10.10	5.26	-
Stock options granted	-	-	-	-
Stock options forfeited/lapsed	-	-	-	-
Stock options surrender	-	-	-	-
Stock options exercised	-	-	-	-
Stock options outstanding as at March 31, 2024	**3,30,30,682**	**10.10**	**5.26**	-
Stock options exercisable as at March 31, 2024	-	-	-	-
Stock options unvested as at March 31, 2024	3,30,30,682	10.10	5.26	-
Weighted average fair value as on grant date of the options outstanding				**3.25**

C Fair valuation and assumptions

The fair valuation of the employee stock option plan granted has been estimated using Black-Scholes model of pricing. The key assumptions for calculating the fair value as on the grant are:

Arjas Employee Stock Option Scheme	Options
Method used	Black-Scholes model
Risk-free rate	7.37%
Option life [Years]	One year from date of vesting and date of vesting is 5 years from the date of grant
Expected volatility*	55.00%
Dividend yield	0%

* Expected volatility is determined based on the observed historical volatility of listed competitors/comparable companies, allowing for the fact that Company is not listed.

45 The State Government of Andhra Pradesh has approved a special package of incentives under mega project concept of Industrial Investment Promotion Policy (IIPP) 2010-15 to the Company for their expansion and diversification project in Anantapur, as per which the parent company is entitled to 50% VAT/CST reimbursement for a period of 5 years from the date of commencement of commercial production on the end products viz. bars and rods. The parent company has filed the necessary forms in this regard up to March 2018 within the applicable timelines.

As at March 31, 2024, the carrying value of government grant receivable was INR 612.03 lakh and corresponding deferred government grant was INR 398.19 lakh. During the current year, the management has re-assessed the recoverability of the receivables and created provision of INR 213.84 lakh (net of deferred government grant INR 398.19 lakh).

46 Corporate Social Responsibility

As per the provisions of section 135 of the Act and Companies (CSR Policy) Rules, 2014, the parent company has constituted the Corporate Social Responsibility (CSR) Committee. In pursuance of the Act, the parent company is required to spend at least 2% of the average net profits made during the three immediately preceding financial years on CSR.

The aggregate amount of expenditure incurred during the year by the parent company on Corporate Social Responsibility (CSR) is INR 284.10 lakh [March 31, 2024: INR 374.84 lakh] and is shown separately under note 31 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

Details of CSR expenditure

		March 31, 2025	March 31, 2024
(i)	(a) Gross amount required to be spent during the year	284.10	371.35
	(b) Amount spent by the Company during the year	250.12	374.84
	(c) (Excess)/Shortfall at the end of the year [(c) =(a)-(b)]	33.98 [refer note (iii) below]	(3.49)
	(d) Total of previous year shortfall	-	-
	(f) Reason of shortfall	Ongoing projects	NA
	(g) Details of transaction with related party	-	-

		In cash	Yet to be paid in cash	Total
(ii)	**a) Amount spent during the year ending on March 31, 2025**			
	i) Construction/acquisition of any asset	-	-	-
	ii) On purposes other than (i) above	250.12	33.98	284.10
	b) Amount spent during the year ending on March 31, 2024			
	i) Construction/acquisition of any asset	-	-	-
	ii) On purposes other than (i) above	261.62	113.22	374.84

c) Category of spend other than construction/acquisition of any asset for the year ending on March 31, 2025 and March 31, 2024

Disaster Management
Promotion of Games and Sports
Medical and Health
Education
Community Development
Environment

(iii) The parent company has transferred INR 33.98 lakh to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

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(all amounts are rupees in lakh, unless otherwise stated)

47 Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance
Current Ratio	Total current assets	Total current liabilities	0.89	1.08	(17.29%)
Debt equity ratio	Total debt including Lease liabilities	Total equity	0.72	0.75	(3.87%)
Debt service coverage ratio	Earning for Debt Service = Net profit/(loss) after taxes + Non-cash income and expenses + finance cost	Debt service = Interest & lease payments + Principal repayments	0.39	0.84	(53.89%)
	[the ratio is decreased compared to previous year primarily due to principal repayment of ECB loan availed from erstwhile holding company amounting to INR 36,313.07 lakh during the year]				
Return on Equity	Net profit/(loss) for the year	Average total equity	(1.37%)	2.76%	(149.66%)
	[the ratio is decreased compared to previous year due to decrease in earnings during the period primarily on account of fluctuation in Alloy Bar prices]				
Inventory turnover ratio (times)	Cost of goods sold = Cost of materials consumed + Changes in inventories of finished goods, semi finished goods and work-in-progress.	Average Inventory	2.54	2.10	20.69%
Trade receivable turnover ratio (times)	Revenue from operations	Average trade receivables	7.59	6.52	16.43%
Trade payables turnover ratio (times)	Net credit purchases	Average trade payable	2.47	2.74	(9.86%)
Net capital turnover ratio (times)	Revenue from operations	Average working capital	(203.43)	15.62	(1402.20%)
	[the ratio has increased due to more than proportionate decrease in average working capital when compared to increase in revenue]				
Net profit ratio	Net profit/(loss) for the year	Revenue from operations	(0.57%)	1.26%	(145.47%)
	[the ratio is decreased compared to previous year due to decrease in earnings during the period]				
Return on capital employed (ROCE)	Profit/(loss) before tax and finance cost	Capital employed = Net worth + Borrowings + Lease liabilities	3.81%	5.75%	(33.80%)
	[the ratio is decreased compared to previous year due to decrease in earnings during the period]				
Return on investment (Other than investments in subsidiaries)	Income earned on investments	Average investments for the period	0.00%	0.00%	0.00%

48 The financial statements of the group for the year ended March 31, 2024 were audited by erstwhile auditors B S R & Co. LLP (Firm Registration Number: 101248W/W-100022).

49 The management has evaluated subsequent events till May 19, 2025 and determined that there were no such events requiring recognition or disclosure in the consolidated financial statments.
The consolidated financial statements of the group for the year ended March 31, 2025 were recommended by Audit Committee and authorized for issue by the Company's Board of Directors.

for and on behalf of Board of Directors of Arjas Steel Private Limited
CIN: U27109AP1993PTC015499

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

Bahirji .A. Ghorpade

Bahirji Ajai Ghorpade
Chairman and Managing Director
DIN: 08452844

Uttam Kumar

Uttam Kumar Bhageria
Executive Director
DIN: 10589928

Anand Pasupuleti
Chief Executive Officer

Sham Krishna
Chief Financial Officer

Satyanarayan Mohanty
Company Secretary
Membership No: 22035

Date: May 19, 2025
Place: Bengaluru