

MSP SPONGE IRON LIMITED

South City Business Park, 10th Floor, 770 Anandapur Road,

E.M. Bypass, Kolkata 700107

Ph.No-033 4005 7777, Fax.No-033 2398 2239

REGN NO.: U27102WB1999PLC114830

CONSOLIDATED ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2024

AUDITORS

KEDIA DHANDHARIA & CO.

CHARTERED ACCOUNTANTS

BC-266, Sector – I, Salt Lake, Kolkata – 700064, West Bengal, India

Phone: 033-23595641/42, Fax: 033 23212571

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MSP SPONGE IRON LIMITED
Vandana Agarwal
Company Secretary



Kedia Dhandharia & Co.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of

MSP SPONGE IRON LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **MSP SPONGE IRON LIMITED** ("the Holding Company") and its Subsidiary (the Holding Company and its subsidiary collectively referred to as "the Group"), and includes the Group's share of profit of its associates, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate financial statements of the subsidiary and associates as were audited by other auditors, referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, its consolidated loss and consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the auditors in terms of their reports referred to in Other Matter(s) section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

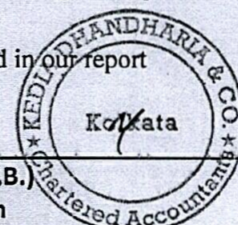
Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, for the year ended March 31, 2024 and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report

MSP SPONGE IRON LIMITED

Vandha Aggarwal





Kedia Dhandharia & Co.

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Information other than the financial statements and auditors' report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance, Business Responsibility Report and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the Subsidiary and Associates audited by the other auditors, to the extent it relates to the Subsidiary and, in doing so, place reliance on the work of the other auditors 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. Other information so far as it relates to the Subsidiary and Associates is traced from the financial statements audited by the other auditors. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

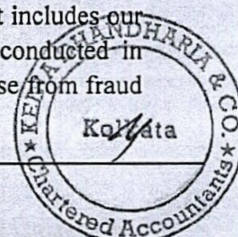
The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance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

The respective Board of Directors of the companies included in the Group and its associates are responsible for accordance with the provisions of the Act for maintenance of adequate accounting records in safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group 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 responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities 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





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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.

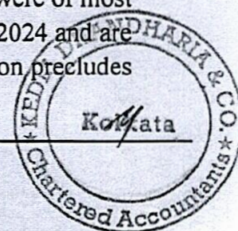
As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 Independent Auditors' Report on the sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures 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/financial statement of entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes





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public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

We did not audit the financial statements of its subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 7,446.87 Lakhs as at March 31, 2024, total revenues (before consolidation adjustments) of Rs. 24,092.52 Lakhs and net cash flows (before consolidation adjustments) of Rs. 156.39 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of 8.71 Lakhs for the year ended 31 March 2024, in respect of three associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate and our report in terms of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

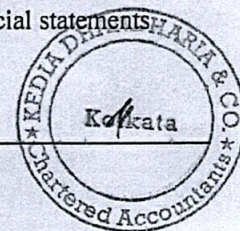
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such subsidiary and associate as noted in the "other matter" paragraph we report, to the extent applicable, that
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion proper books of account as required by law have been kept by the Company apart from those mentioned in clause (h) (vi) below, so far as it appears from our examination of those books;
 - 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 Holding Company and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India on record, none of the directors of the Group companies and its associate are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure- B" which is based on the auditors' reports of the Holding company, subsidiary companies and its associate incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.





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3. 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 and based on the consideration of the report of the other auditors on separate financial statements subsidiary and associate, as noted in the "Other Matters" paragraph:
- i. The Group and its Associates have disclosed the impact of pending litigations as of March 31, 2024, under *Note No. 38*, which would not impact its financial position in its consolidated financial statements.
 - ii. The Group and its associate 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 Group and its Associate.
 - iv.
 - a. The respective Managements of the Holding Company and its subsidiary, associate company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the the Holding Company or subsidiary company, and associate company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The respective Managements of the Holding Company and its subsidiary, associate company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or subsidiary company, and associate company to or in any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary company, and associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary 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 Group and its Associate have not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiary and one associate which are companies incorporated in India whose financial statements have been audited under the Act, we report the following observations:





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The Holding Company primarily used ERP systems as their accounting software to maintain books of account. These ERP systems included an audit trail (edit log) feature, which was operational throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

However, the auditors of the subsidiary and associate companies reported that, based on their examination (including test checks) and in accordance with the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the accounting software used by the subsidiary and associate companies did not have an audit trail (edit log) feature. Nevertheless, the auditors of the subsidiary and associate companies have confirmed that, in their opinion, proper books of account have been maintained, reflecting a true and fair view of their state of affairs for the financial year 2023-24, as required under Section 128(1) of the Companies Act, 2013.

4. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company and associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company and associate company incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act.

For KEDIA DHANDHARIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 326659E



(MANISH RAJ DHANDHARIA)
Partner

Place: Kolkata

Date: 02-09-2024

UDIN: 24062582BKEKTC1568

Membership No. 062582

MSP SPONGE IRON LIMITED

Vasudha Agnew
Company Secretary



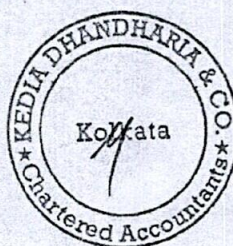
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Annexure "A" to the Independent Auditor's Report on the Consolidated Financial Statements of MSP Sponge Iron Private Limited for the year ended 31 March 2024

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

(XXI) With respect to the matters specified in paragraphs 3(XXI) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") 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 auditors of subsidiary and associate included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the management of the Parent, we report that in respect of the companies where audit have been completed under section 143 of the Act, the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report:

For KEDIA DHANDHARIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 326659E



(MANISH RAJ DHANDHARIA)
Partner

Membership No. 062582

Place: Kolkata

Date: 02-09-2024

UDIN: 24062582BKEKTC1568

MSP SPONGE IRON LIMITED

Vandana Agarwal
Company Secretary



Kedia Dhandharia & Co.

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ANNEXURE "B" to the Independent Auditor's Report on the Consolidated Financial Statements of MSP Sponge Iron Limited for the year ended 31 March 2024

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")

Referred to in paragraph 1 (f) under the heading of "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report of even date on the Consolidated Financial Statements for the year ended March 31, 2024.

In conjunction with our audit of the consolidated financial statements of **MSP SPONGE IRON LIMITED** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary company and its associate company, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of subsidiary company and associate company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary company and its associate company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding, its subsidiary and Associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("the 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

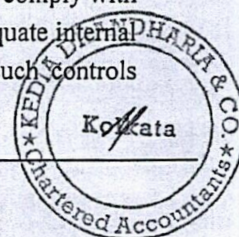
Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, subsidiary and its associate, which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

MSP SPONGE IRON LIMITED

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Company Secretary





Kedia Dhandharia & Co.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the Subsidiary and associate, which are incorporated in India, in terms of their reports referred to in the Other Matter section below 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 Holding Company and its associate, which are incorporated in India.

Meaning of Internal Financial Controls with reference to Financial Statements

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

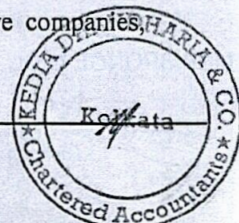
(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the financial statements in accordance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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and its associate company, which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the respective companies.





Kedia Dhandharia & Co.
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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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to Its Subsidiary and its associates of the Holding Company, is based solely on the corresponding reports of the auditors of such companies, which are incorporated in India.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For KEDIA DHANDHARIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 326659E

Place: Kolkata

Date: 02-09-2024

UDIN: 24062582-BKEKTC1568



[MANISH RAJ DHANDHARIA]
Partner
Membership No. 062582

MSP SPONGE IRON LIMITED

Vandana
Company Secretary

MSP SPONGE IRON LTD.

CIN : U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31 March 2024 (Continued)

1. GENERAL INFORMATION

MSP Sponge Iron Limited (hereinafter referred to as "the Company" or "the Parent Company") CIN - (U27102WB1999PLC114830) and its subsidiaries (hereinafter collectively referred to as "the Group") for the year ended 31st March, 2024.

The Holding company is a public company domiciled in India, incorporated under the provisions of the companies Act, 1956 having its registered office at South City Business Park, 10th Floor, 770 Anandpur. EM Bypass, E.K.T. Kolkata, 700107 and its manufacturing facilities are located at Keonjhar, Odisha & Raigarh, Chhatishgarh. The principal activities of the Group and associates consist of activities in the manufacture and sale of Iron and Steel, Ferro Alloys products and Captive Power Generation and others.

The Company and its subsidiary (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

a) Subsidiary

Name of Company	Country of Incorporation	Proportion of Equity Interest	
		As at 31st March, 2024	As at 31st March, 2023
INDOVES INDUSTRIAL PRIVATE LIMITED	INDIA	73.39%	60.57%

b) Associate

Sidhsilver Infraproperties Pvt. Ltd., in which the company holds a 26.90% (26.90%) equity stake, is actively involved in the trading of a diverse range of household requisites. This is a company engaged in trading of all kinds of merchandise in relation to household requisites, to purchase, sell, import, export, distribute, install and deal in domestic, commercial and industrial furniture and fixtures.

2. BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation and Measurement of consolidated financial statements

a) Basis of preparation

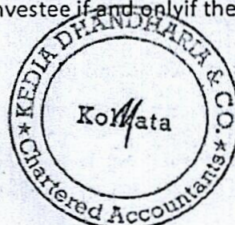
These Consolidated Financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies Indian Accounting Standards) Rules, 2015 as amended from time to time.

The consolidated financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value:

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

b) Basis of consolidation

Subsidiaries are all entities over which the Group has Control. The determination of control for the purpose of consolidation is done as per Ind AS 110. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:



MSP SPONGE IRON LTD.

CIN : U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31 March 2024 (Continued)

- a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- b) Exposure, or rights, to variable returns from its involvement with the investee, and
- c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a) The contractual arrangement with the other voteholders of the investee
- b) Rights arising from other contractual arrangements
- c) The Group's voting rights and potential voting rights
- d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Group. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

c) Consolidation procedures:

- i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.
- ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in Fixed assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income



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Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

d) Investment in Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control. The considerations made in determining whether significant influence is similar to those necessary to determine control over the Subsidiaries.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net asset of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of the associate is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equal or exceeds its interest in the associate or (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit and loss. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'exceptional items' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.



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e) Functional and presentation currency

The consolidated financial statements are presented in Indian National Rupee (INR), the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency'). Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the consolidated statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at exchange rates in effect at the balance sheet date, the gain or loss arising from such translations are recognised in the consolidated statement of profit and loss.

f) Use of judgements and estimates

The preparation of Consolidated Financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

g) Goodwill

Business combinations (other than those under common control) are accounted for using the acquisition method under Ind AS 103. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. The consideration transferred by the acquirer is recognized at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Critical accounting judgements and key sources of estimation uncertainty:

Key assumptions-

(i) Useful lives of Property, plant and equipment:

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.



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(ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using certain valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Defined benefit plans:

The cost of the defined benefit plan includes gratuity and the present value of the gratuity obligation are determined using actuarial valuations using projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Recognition and measurement of provisions and contingencies:

There are certain key assumptions about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies, if any, in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

f) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

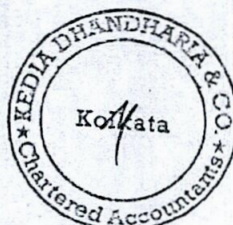
The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



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g) Foreign currencies

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The functional currency of the Group is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise except for:

=>Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

=>Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in 2 (XVIII) (B) (f));

=>Exchange difference arising on settlement / restatement of long-term foreign currency monetary items recognised in the financial statements for the year ended 31 March, 2016 prepared under previous GAAP, are capitalised as a part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity year / upto the date of settlement of such monetary item, whichever is earlier, but not beyond 31 March 2022 and charged to the Statement of Profit and Loss. The un-amortised exchange difference is carried under other equity as "Foreign currency monetary item translation difference account" net of tax effect thereon, where applicable.

2.2 Significant material accounting policies

a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realised within twelve months after the reporting period; or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.



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A liability is treated as current when

- i) It is expected to be settled in normal operating cycle;
- ii) It is held primarily for the purpose of trading;
- iii) It is due to be settled within twelve months after the reporting period; or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Financial instruments

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

i) Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Regular purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest rate (EIR) amortisation is included in finance income in the profit or loss.

Financial assets at FVTOCI

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset



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give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial assets at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit & Loss.

Other equity investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in "Other Comprehensive Income".

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

ii. Financial liability

Initial recognition and measurement

Financial liabilities are initially recognised at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at fair value through profit or loss which are initially measured at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in following categories:

- Financial liabilities through profit or loss (FVTPL)
- Financial liabilities at amortised cost

Financial liabilities through FVTPL

A financial liability is classified as 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 recognised in profit or loss.

Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and any gain or loss on derecognition are recognised in profit or loss.

Interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. For trade and other payables maturing within one year from the balance sheet date, the carrying amount approximates fair value due to the short maturity of these instruments.



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Derecognition

A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the consolidated balance sheet when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Property, Plant and Equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Borrowing costs directly attributable to the acquisition or construction of those qualifying property, plant and equipment, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

ii. Transition to Ind AS

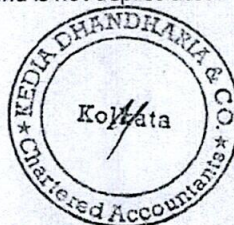
On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group's Consolidated Balance Sheet. Ongoing repairs and maintenance are expensed as incurred.

iv. Depreciation and amortization

Depreciation and amortisation for the year is recognised in the Statement of Profit and Loss. Depreciation on fixed assets are provided on straight line method over the useful lives of assets, at the rates and in the manner specified in Part C of Schedule II of the Act. Freehold land is not depreciated.



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Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as appropriate.

d) Impairment

i. Impairment of financial instruments: financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

ii. Impairment of non-financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

e) Inventories:

Inventories comprise Raw Material, Work-in-Progress, Finished Goods, Packing Material and Stores & Spares.

Inventories except stores & spares are valued at the lower of cost and net realisable value. Inventory of Stores & Spares are valued at cost.

Cost of inventories is based on FIFO basis. Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but exclude borrowing costs.



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f) Cash and Cash Equivalents:

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

g) Employee Benefits

i) Short-term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group makes specified monthly contributions towards Provident Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iii) Defined benefit plans

Gratuity:

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

Leave Encashment:

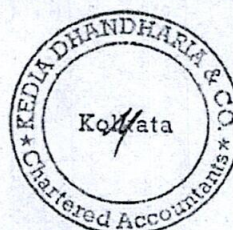
Liability for leave encashment is treated as a long term liability and is provided on the basis of valuation by an independent Actuary as at the year end.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

h) Provisions (other than for employee benefits), Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement and are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are disclosed only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.



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Contingent assets where it is probable that future economic benefits will flow to the Group are not recognised but disclosed in the financial statements.

i) Revenue Recognition

a. Sale of Goods

The Group recognises 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.

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.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

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 sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

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 stand-alone selling prices. Revenue from sale of by products are included in revenue.

Revenue from sale of power is recognised when delivered and measured based on the bilateral contractual arrangements.

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) Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due)

iii) 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



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Notes to the Consolidated financial statements for the year ended 31 March 2024 (Continued)

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 including Advance received from Customer.

iv) Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer including volume rebates and discounts. The Group updates its estimates of refund liabilities at the end of each reporting period.

b. Recognition of dividend income, interest income or expense

Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

j) Income tax

Income tax expense comprises of current and deferred tax. Current tax and deferred tax is recognized in the statement of profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

i. Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

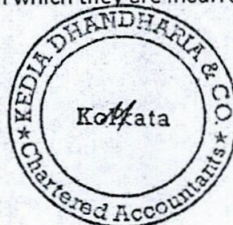
ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

k) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.



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l) Events occurring after balance sheet date

Material events occurring after the Balance Sheet are considered up to the date of approval of the accounts by the board of directors. There are no substantial events having an impact on the results of the current year Balance Sheet.

m) Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segment for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

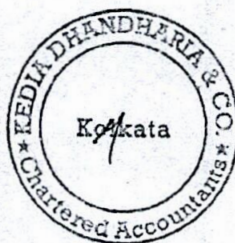
n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o) Recent accounting pronouncements

As on 31 March 2024, there are no new standards or amendments to the existing standards applicable to the Company which has been notified by Ministry of Corporate Affairs.



MSP SPONGE IRON LIMITED

CIN : 27102WB1999PLC114830

Consolidated Balance Sheet as at 31st March 2024

(₹ in lakhs)

Particulars	Note	As at 31st March 2024	As at 31st March 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3A	32,510.29	33,053.19
(b) Capital work-in-progress	3C	9,462.10	5,904.47
(c) Intangible Asset	3B	21.53	18.73
(d) Financial assets			
(i) Investments	4A	11,550.01	5,242.05
(ii) Other financial assets	12	1,265.82	1,222.02
(iii) Loans	5	-	-
(e) Other non-current assets	7	789.84	1,333.31
(f) Goodwill	46	122.34	31.92
Total Non-current assets		55,721.93	46,805.69
(2) Current assets			
(a) Inventories	8	11,726.68	14,595.75
(b) Financial assets			
(i) Investments	4B	1,239.92	517.29
(ii) Trade receivables	9	5,647.96	4,420.60
(iii) Cash and cash equivalents	10	735.53	2,445.67
(iv) Other bank balances	11	1,557.47	1,634.25
(v) Loans	5	9,550.56	8,944.17
(vi) Other financial assets	12	455.62	448.85
(c) Other current assets	13	4,314.21	9,103.55
Total Current assets		35,227.95	42,110.13
TOTAL ASSETS		90,949.88	88,915.82
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	3,323.00	3,323.00
(b) Other equity	16	72,521.48	65,499.70
(c) Non-Controlling Interest		1,246.96	1,153.94
Total Equity		77,091.43	69,976.64
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	2,705.23
(b) Provisions	18	129.48	136.74
(c) Deferred tax liabilities	6	5,005.21	4,561.22
Total Non-current liabilities		5,134.69	7,403.19
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	1,061.02	1,480.39
(ii) Trade payables			
(a) To micro and small enterprises	19	241.85	9.60
(b) To other than micro and small enterprises	19	3,312.74	3,211.40
(iii) Other financial liabilities	20	1,823.04	1,973.53
(b) Other current liabilities	21	2,166.95	4,765.77
(c) Provisions	18	43.44	59.03
(d) Current tax Liabilities (Net)	14	74.72	36.28
Total Current liabilities		8,723.76	11,535.99
TOTAL EQUITY AND LIABILITIES		90,949.88	88,915.82

Basis of presentation, measurement & material accounting policies

2

See accompanying notes to the Consolidated Financial Statements

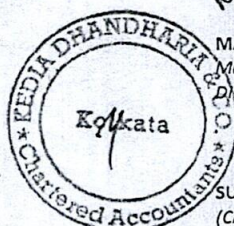
3 to 49

As per our report of even date attached

For KEDIA DHANDHARIA & CO.
Chartered Accountants
Firm Registration No.: 326659E

CA MANISH RAJ DHANDHARIA
Partner
Membership No: 062582
Kolkata, 2nd September, 2024

UDIN: 24062582 BKEK TC1568



MANISH AGRAWAL
Managing Director
DIN: 00129240

SUBHASH AGARWAL
(Chief Financial Officer)

For and on behalf of the Board

SURESH KUMAR AGRAWAL
Director
DIN: 00587623

VASUDHA AGARWAL
(Company Secretary)



MSP SPONGE IRON LIMITED

Company Secretary

MSP SPONGE IRON LIMITED

CIN : 27102WB1999PLC114830

Consolidated Profit and Loss for the year ended 31st March 2024

(₹ in lakhs)

Particulars	Note	Year ended 31st March 2024	Year ended 31st March 2023
I Revenue from operations	22	121,327.15	112,265.90
II Other income	23	1,972.17	1,653.21
III Total income (I + II)		123,299.32	113,919.11
IV Expenses			
Cost of materials consumed	24	97,360.39	90,801.57
Purchases of Stock-in-Trade		-	106.09
Changes in inventories of finished goods, Stock-in-Trade and work in-progress	25	(467.16)	(2,963.92)
Employee benefits expense	26	6,457.17	6,032.79
Finance costs	27	131.45	286.41
Depreciation and amortisation expense	28	2,019.85	1,894.44
Other expenses	29	16,342.51	18,629.26
Total expenses (IV)		121,844.22	114,786.63
V Profit/(loss) before exceptional items and tax (III-IV)		1,455.10	(867.52)
VI Share of Profit/Loss of Associates (Net of Tax)		(8.71)	(12.86)
VII Profit/(loss) after exceptions items and tax (V-VI)		1,446.39	(880.38)
VIII Tax expense:	30		
Current tax		(315.54)	(263.59)
Deferred tax		341.67	(3,681.73)
Income Tax for Previous year		(3.32)	(84.68)
IX Profit / (loss) for the year (VII-VII)		1,469.19	(4,910.37)
Other comprehensive income (net of tax)			
A. Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit liability/ (asset)		24.19	(37.94)
(b) Equity instruments through other comprehensive income		6,316.67	(1,887.77)
(c) Income taxes relating to items that will not be reclassified to profit or loss		(785.67)	484.66
Net other comprehensive income not to be reclassified subsequently to profit or loss		5,555.18	(1,441.05)
B. Items that will be reclassified to profit or loss		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		-	-
X Other comprehensive income		5,555.18	(1,441.05)
XI Total comprehensive income for the year (IX + X)		7,024.38	(6,351.42)
Profit for the Period attributable to			
(i) Owners of the Company		1,466.59	(4,702.07)
(ii) Non Controlling Interest		2.60	(208.31)
Other Comprehensive Income for the Period attributable to			
(i) Owners of the Company		5,555.18	(1,441.05)
(ii) Non Controlling Interest		-	-
Total Comprehensive Income for the Period attributable to			
(i) Owners of the Company		7,021.78	(6,143.12)
(ii) Non Controlling Interest		2.60	(208.31)
XII Earnings per equity share	31		
[Face value of equity share Rs. 10 each (previous year Rs. 10 each)]			
- Basic		4.41	(14.15)
- Diluted		4.41	(14.15)

Basis of presentation, measurement & material accounting policies

See accompanying notes to the Consolidated Financial Statements

3 to 49

As per our report of even date attached

For KEDIA DHANDHARIA & CO.

Chartered Accountants

Firm Registration No.: 326659E

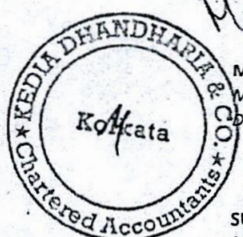
CA MANISH RAJ DHANDHARIA

Partner

Membership No: 062582

Kolkata, 2nd September, 2024

UDIN: 24062582BKENTC1568


MANISH AGRAWAL
Managing Director
DIN: 00129240

SUBHASH AGARWAL
(Chief Financial Officer)

For and on behalf of the Board


SURESH KUMAR AGRAWAL
Director
DIN: 00587623

VASUDHA AGARWAL
(Company Secretary)

MSP SPONGE IRON LIMITED

Company Secretary

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Consolidated Statement of Changes in Equity for the Year Ended 31st March 2024

(₹ in lakhs)

A. Equity share capital

Particulars	Number	Amount
Balance as at 1 April 2022	33,229,975	3,323.00
Changes in equity share capital during 2022-23	-	-
Balance as at 31 March 2023	33,229,975	3,323.00
Changes in equity share capital during 2023-24	-	-
Balance as at 31 Mar 2024	33,229,975	3,323.00

B. Other equity

Particulars	Reserves and surplus				Items of OCI Equity instruments through other comprehensive income	Total Equity	Non Controlling Interest
	Capital reserve	General reserve	Share Premium	Retained earnings			
Balance at 1 April 2022	40,224.57	3,622.04	21,206.74	6,643.80	(60.11)	71,637.06	1,114.15
Profit or Loss	-	-	-	(4,702.07)	-	(4,702.07)	(208.31)
Transaction with non controlling interest	-	-	-	-	-	-	248.10
Adjustment for change in depreciation method by Associate Company, affecting prior period financials	-	-	-	5.76	-	5.76	-
Remeasurement Benefits gain / (loss)	-	-	-	-	(48.18)	(48.18)	-
Fair value of Equity Instrument through FVOCI	-	-	-	-	(1,392.88)	(1,392.88)	-
Total comprehensive income for the year	-	-	-	(4,696.31)	(1,441.05)	(6,137.36)	39.79
Dividend	-	-	-	-	-	-	-
Income tax on dividend paid	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-
Balance at 31 March 2023	40,224.57	3,622.04	21,206.74	1,947.49	(1,501.16)	65,499.70	1,153.94
Profit or Loss	-	-	-	1,466.59	-	1,466.59	2.60
Transaction with non controlling interest	-	-	-	-	-	-	90.41
Remeasurement Benefits gain / (loss) - net of tax	-	-	-	-	62.13	62.13	-
Fair value of Equity Instrument through FVOCI	-	-	-	-	5,493.06	5,493.06	-
Total comprehensive income	-	-	-	1,466.59	5,555.18	7,021.78	93.02
Dividend	-	-	-	-	-	-	-
Income tax on dividend paid	-	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-	-
Balance at 31 March 2024	40,224.57	3,622.04	21,206.74	3,414.09	4,054.03	72,521.47	1,246.96

Basis of Presentation Measurement & material accounting policies
See accompanying notes to the Consolidated Financial Statements

2
3 to 49

As per our report of even date attached

For and on behalf of the Board

For KEDIA DHANDARIA & CO.
Chartered Accountants
Firm Registration No.: 326659E

CA MANISH RAJ DHANDHARIA
Partner
Membership No: 062582
Kolkata, 2nd September, 2024

VDIN: 24062582BKEKTC1568



MANISH AGRAWAL
Managing Director
DIN: 00129240

SUBHASH AGARWAL
(Chief Financial Officer)



SURESH KUMAR AGRAWAL
Director
DIN: 00587623

VASUDHA AGARWAL
(Company Secretary)

MSP SPONGE IRON LIMITED
Vandha Agarwal
Company Secretary

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Consolidated Cash Flow Statement for the year ended 31st March 2024

(₹ in lakhs)

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	1,446.39	(880.38)
Adjustment for :-		
Depreciation and amortisation expense	2,019.85	1,894.44
Net (gain)/ loss arising on investments measured at fair value through profit and loss	(729.75)	113.58
Share of (Profit) / Loss of Associates	8.71	12.86
Interest and dividend income classified as investing Cash Flows	(909.10)	(1,296.32)
(Profit) /loss on sale of shares classified as investing Cash Flows	15.71	(25.56)
Provision for Gratuity & Leave Encashment	68.54	64.00
Provision for Doubtful Debt	4.30	-
Finance costs	131.45	286.41
Unrealised foreign exchange loss (gain)	7.79	-
(Profit) /loss on sale of Property, Plant & Equipment	(289.89)	(8.33)
Operating profit before working capital changes	327.62	1,041.08
(Increase)/ Decrease in Trade Receivables	1,774.01	160.70
(Increase)/ Decrease in Loans	(1,231.67)	6,763.61
(Increase)/ Decrease in Inventories	(606.39)	1,437.68
(Increase)/ Decrease in other financial and non-financial assets	2,869.07	(436.47)
(Increase)/ Decrease in Goodwill	5,282.24	(5,445.62)
Increase/ (Decrease) in trade payables, other financial liabilities, other current liabilities	(90.42)	1.90
Cash generated from operations	(2,490.72)	3,732.12
Income taxes paid (net of refund)	2,220.25	4,541.35
Net cash inflow from operating activities	5,506.12	4,702.05
	(280.42)	(240.40)
	5,225.70	4,461.66
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment including CWIP	(5,083.63)	(5,919.27)
Proceeds from sale of property, plant and Equipment	46.24	365.93
(Profit) /loss on sale of Property, Plant & Equipment	289.89	8.33
Purchase of Non-Current Investment	7.13	1,159.94
Proceeds from sale of Investment (Profit)	(15.71)	25.56
Changes in other Bank Balances	76.78	(43.19)
Interest and dividend received	909.10	(3,770.21)
Net cash inflow/ (outflow) from investing activities	(3,770.21)	(3,131.94)
C CASH FLOW FROM FINANCING ACTIVITIES		
Adjustment for Non- Controlling Interest	90.41	248.10
Interest paid	(131.45)	(286.41)
Short term borrowings Received / (paid) (net)	(2,705.23)	95.23
Long term borrowings Received / (paid) (net)	(419.36)	(3,165.63)
Net cash inflow/ (outflow) from financing activities	(3,165.63)	843.82
Net increase in cash & cash equivalents	(1,710.14)	2,173.53
Cash & Cash equivalents at beginning of the year	2,445.67	272.14
Cash & Cash equivalents at closing year ended 31.03.2024	735.53	2,445.67

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

Basis of presentation, measurement & material accounting policies

See accompanying notes to the Consolidated Financial Statements

2
3 to 49

As per our report of even date attached

For and on behalf of the Board

For KEDIA DHANDARIA & CO.
Chartered Accountants
Firm Registration No.: 326659E

CA MANISH RAJ DHANDHARIA
Partner
Membership No: 062582
Kolkata, 2nd September, 2024

VDIN:24062582BKEKTC1568


MANISH AGRAWAL
Managing Director
DIN: 00129240

SUBHASH AGARWAL
(Chief Financial Officer)

Suresh Kumar

SURESH KUMAR AGRAWAL
Director
DIN: 00587623

Vasudha Agarwal
VASUDHA AGARWAL
(Company Secretary)

MSP SPONGE IRON LIMITED
Vasudha Agarwal
Company Secretary

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

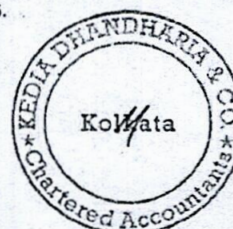
3A Property, plant and equipment

Particulars	Land	Buildings	Plant and Equipment	Furniture	Vehicles	Office equipment	Misc. Fixed Assets	Total
Cost or deemed cost (Gross Carrying Amount)								
Balance at 31st March 2022	838.67	10,433.10	26,712.85	38.62	123.32	89.22	6,830.82	45,066.60
Additions	40.90	136.33	463.71	4.06		22.17	36.00	703.17
Disposals/ Discard					17.52	-	5.73	23.25
Balance at 31st March 2023	879.57	10,569.42	27,176.55	42.68	105.80	111.40	6,861.09	45,746.52
Balance at 1st April 2023	879.57	10,569.42	27,176.55	42.68	105.80	111.40	6,861.09	45,746.52
Additions	2.63	78.00	1,424.41	0.60		9.27		1,514.90
Disposals/ Discard	20.67		37.96					58.63
Balance at 31st March 2024	861.53	10,647.42	28,563.00	43.28	105.80	120.66	6,861.09	47,202.79
Accumulated depreciation								
Balance at 31st March 2022	-	2,104.47	6,674.40	17.28	51.26	47.51	1,932.65	10,827.56
Depreciation for the year	-	366.50	1,202.37	3.48	9.95	12.64	292.50	1,887.44
Adjustments/ Disposals					16.24		5.43	21.68
Balance at 31st March 2023	-	2,470.96	7,876.77	20.76	44.97	60.16	2,219.71	12,693.33
Balance at 1st April 2023	-	2,470.96	7,876.77	20.76	44.97	60.16	2,219.71	12,693.33
Depreciation for the year		386.11	1,297.37	3.84	10.53	19.05	294.65	2,011.56
Adjustments/ Disposals	-		12.39					12.39
Balance at 31st March 2024	-	2,857.08	9,161.75	24.61	55.49	79.20	2,514.36	14,692.50
Net Block								
As at 31 March 2023	879.57	8,098.46	19,299.78	21.92	60.84	51.24	4,641.38	33,053.19
As at 31 March 2024	861.53	7,790.34	19,401.25	18.68	50.31	41.46	4,346.73	32,510.29

3B Intangible assets

Particulars	Total
Cost or deemed cost (Gross Carrying Amount)	
Balance at 1st April 2022	28.34
Additions	9.50
Disposals/ Discard	-
Balance at 31st March 2023	37.84
Balance at 1st April 2023	37.84
Additions	11.10
Disposals/ Discard	-
Balance at 31st March 2024	48.94
Accumulated depreciation	
Balance at 31st March 2022	12.12
Amortisation for the year	6.99
Adjustments/ Disposals	-
Balance at 31st March 2023	19.11
Balance at 1st April 2023	19.11
Amortisation for the year	8.29
Adjustments/ Disposals	-
Balance at 31st March 2024	27.40
Net Block	
As at 31 March 2023	18.73
As at 31 March 2024	21.53

(1) The company has elected to measure all its property, plant and equipments at the previous GAAP carrying amount i.e 31st March, 2016 as its deemed cost (Gross Block Value) on the date of transition to IND AS i.e 1st April, 2016.



MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

3C Capital work-in-progress (CWIP)

Particulars	Total
Balance at 31st March 2022	1,062.22
Additions	5,206.61
Disposals/ Discard / Capitalised	364.36
Balance at 31st March 2023	5,904.47
Balance at 31st March 2023	5,904.47
Additions	4,931.90
Disposals/ Discard / Capitalised	1,374.27
Balance at 31st March 2024	9,462.10

Ageing of Capital work-in-progress (CWIP)

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	
Projects in progress	3,557.63	4,842.25	1,062.22	-	9,462.10

As at 31 March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	
Projects in progress	4,842.25	1,062.22	-	-	5,904.47



MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

4 Investments		
	As at 31 March 2024	As at 31 March 2023
4A Non-current investments		
<u>Investments in equity instruments</u>		
(a) Non trade investments (Quoted) - In others (at fair value through Other Comprehensive Income)		
GTL Infrastructure Ltd., 206 (31st March 2023: 206) Equity Shares of Rs.10/- each fully paid	0.00	0.00
GTL Ltd., 100 (31st March 2023: 100) Equity Shares of Rs.10/- each fully paid	0.01	0.00
Howrah Gases Ltd., 7,833 (31st March 2023: 7,833) Equity Shares Rs.10/- each fully paid	1.25	1.25
Infosys Technologies Ltd., 3200 (31st March 2023: 3200) Equity Shares of Rs.5/- each fully paid	47.94	45.69
Mahanagar Telephone Nigam Ltd., 200 (31st March 2023: 200) Equity Shares of Rs.10/- each fully paid	0.07	0.04
Mohan Finance Ltd., 400 (31st March 2023: 400) Equity Shares of Rs.10/- each fully paid	0.07	0.07
MSP Steel and Power Ltd., 2,47,36,500 (31st March 2023: 2,47,36,500) Equity Shares of Rs.10/- each fully paid	7,569.37	1,954.18
Multiplus Resources Ltd., 6,700 (31st March 2023: 6,700) Equity Shares of Rs.10/- each fully paid	0.10	0.10
Nageswar Investment Ltd., 11,000 (31st March 2023: 11,000) Equity Shares of Rs.1/- each fully paid	4.40	4.40
Dish Tv India Ltd., 57 (31st March 2023: 57) Equity Shares of Rs.10/- each fully paid	0.01	0.01
Zee Learn Ltd., 27 (31st March 2023: 27) Equity Shares of Rs.10/- each fully paid	0.00	0.00
P.K. Leasing and Finance Ltd., 35,000 (31st March 2023: 35,000) Equity Shares of Rs.10/- each fully paid	1.05	1.05
Uco Bank Ltd., 3,900 (31st March 2023: 3,900) Equity Shares of Rs.10/- each fully paid	2.04	0.95
SITI Network Ltd. (Wire & Wireless (India) Ltd.), 50 (31st March 2023: 50) Equity Shares of Rs.1/- each fully paid	0.00	0.00
Zee Entertainment Enterprises Ltd., 218 (31st March 2023: 218) Equity Shares of Rs.1/- each fully paid	0.30	0.46
Zee Media Corporation Ltd. (Zee News Ltd.), 45 (31st March 2023: 45) Equity Shares of Rs.1/- each fully paid	0.00	0.00
Diligent Media Corporation Ltd., 11 (31st March 2023: 11) Equity Shares of Rs.10/- each fully paid	0.00	0.00
	7,626.61	2,008.22
(i) In Associates (at cost)		
Sidhsilver Infraproperties Pvt. Ltd 25,00,000 (31st March 2023: 25,00,000) Equity Shares of Rs. 10/- each fully paid	235.47	244.18
[Goodwill (169.82) Lacs]	235.47	244.18
(ii) In others (at fair value through other comprehensive income)		
MSP Infotech Private Ltd., Nil (31st March 2023: 2,05,000) Equity Shares of Rs.10/- each fully paid [Note-(i)]	-	265.86
MSP Mines & Minerals Pvt Ltd., 42,000 (31st March 2023: 42,000) Equity Shares of Rs.10/- each fully paid	75.29	78.91
Keonjhar Infrastructure Development Co. Ltd., 7,200 (31st March 2023: 7,200) Equity Shares of Rs.10/- each fully paid	0.96	0.96
MSP Properties (I) Ltd., Nil (31st March 2023: 65,000) Equity Shares of Rs.10/- each fully paid [Note-(i)]	-	53.95
MSP Rolling Mills Pvt Ltd., Nil (31st March 2023: 4,43,500) Equity Shares of Rs.10/- each fully paid [Note-(i)]	-	279.54
Doyang Wood Products Ltd., 5,00,000 (31st March 2023: 5,00,000) Equity Shares of Rs.10/- each fully paid	40.70	41.85
M.A. Hire Purchase Pvt. Ltd. 1,59,074 (31st March 2023: 1,59,074) Equity Shares of Rs.10/- each fully paid	151.09	160.51
Admirable Realtors Pvt Ltd., 1,134 (31st March 2023: 1,134) Equity Shares of Rs.10/- each fully paid	1.01	1.02
Anup Enclave Pvt Ltd., Nil (31st March 2023: 5,200) Equity Shares of Rs.10/- each fully paid [Note-(iii)]	-	17.64



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Dexo Trading Pvt Ltd., 3,000 (31st March 2023: 3,000) Equity Shares of Rs.10/- each fully paid	9.32	5.12
Digvijay Tracon Pvt Ltd., 34,600 (31st March 2023: 34,600) Equity Shares of Rs.10/- each fully paid	39.19	48.48
High Time Holdings Pvt. Ltd., Nil (31st March 2023: 4,000) Equity Shares of Rs.10/- each fully paid [Note-(ii)]	-	7.43
Khatupati Energy Ltd., 90,000 (31st March 2023: 90,000) Equity Shares of Rs.10/- each fully paid	65.91	61.07
Pabitra Enclave Pvt Ltd., 5,200 (31st March 2023: 5,200) Equity Shares of Rs.10/- each fully paid	0.78	5.77
Ravi Business Services Pvt Ltd., 4,696 (31st March 2023: 300) Equity Shares of Rs.100/- each fully paid	64.63	79.30
Shree Vinay Finvest Pvt. Ltd., 72,176 (31st March 2023: 72,176) Equity Shares of Rs.10/- each fully paid	115.76	113.95
Sikhar Commotrade Pvt Ltd., 3,800 (31st March 2023: 3,800) Equity Shares of Rs.10/- each fully paid	7.68	5.52
Procheta Consultants Pvt. Ltd., 22,000 (31st March 2023: Nil) Equity Shares of Rs.10/- each fully paid [Note-(ii)]	20.69	-
Jaik Leasing & Commercial Investments Ltd, 7,26,483 (31st March 2023: Nil) Equity Shares of Rs.10/- each fully paid [Note-(i)]	1,487.62	-
Jagran Vyapaar Pvt Ltd., 2,55,289 (31st March 2023: 2,55,289) Equity Shares of Rs.10/- each fully paid	305.40	460.87
	2,386.02	1,687.75
	2,621.50	1,931.94

Note

i) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 23.03.2023 Larigo Investment Pvt Ltd, MSP Properties (India) Limited, MSP Infotech Pvt. Ltd., MSP Rolling Mills (P) Ltd and Shreevadhu Mercantile Pvt Ltd have been merged with Jaik Leasing and Commercial Investment Limited. Therefore investment in MSP Properties (India) Limited (65,000), MSP Infotech Pvt. Ltd. (2,05,000), MSP Rolling Mills (P) Ltd (4,43,500) have been merged with Jaik Leasing and Commercial Investment Limited.

ii) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 24.01.2024 Anup Enclave Pvt. Ltd. B.S. Confin Pvt. Ltd, Emerald Tradelink Private Limited, High Time Holdings Private Limited, Rajnath Vyapaar Private Limited and Kanahiya Deal-Com Pvt. Ltd. have been merged with Procheta Consultants Pvt Ltd. Therefore investment in Anup Enclave Pvt. Ltd. (5,200), High Time Holdings Private Limited (4,000), have been merged with Procheta Consultants Pvt Ltd.

Investment in preference shares

Non-trade investments (Unquoted) -

In Others - (at fair value through Other Comprehensive Income)

Keonjhar Infrastructure Development Co. Ltd., 12,50,000 (31st March 2023: 12,50,000) Preference Shares of Rs.10/- each fully paid

125.00	125.00
125.00	125.00

Long term Investments in 0.01% Optionally Fully Convertible Debentures

Non-trade investments (Unquoted) -

In Others - (at Amortised cost)

Dexo Trading Private Limited., 1,00,000 (31st March 2023: 1,00,000) Debentures of Rs.100/- each fully paid

Shree Vinay Finvest Pvt Ltd, 10,75,000 (31st March 2023 10,75,000) Debentures of Rs.100/- each fully paid

100.00	100.00
1,075.00	1,075.00
1,175.00	1,175.00

Investment in government securities (at amortised cost)

NSC**

1.90	1.90
1.90	1.90

Other Non Current Investments

11,550.01	5,242.05
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**NSC is pledged with the State Mining Department against Mining Licences.

4B Current investments
Investments in equity instruments

Trade investments (Quoted) - In others (at fair value through Profit and Loss)

Poonawalla Fincorp Ltd: 3,200 (31st March 2023: Nil) Equity Shares of Rs.2/- each fully paid

14.90

Sarda Energy & Minerals Limited: Nil (31st March 2023: 1,113) Equity Shares of Rs. 10/- each fully paid

11.88

Radico Khaitan Limited: 4,400 (31st March 2023: Nil) Equity Shares of Rs. 2/- each fully paid

76.02

Tips Industries Limited: 1,29,080 (31st March 2023: 12,908) Equity Shares of Rs. 10/- each fully paid (Share Split during the year)

594.61

188.50



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Linc Limited. Nil (31st March 2023: 5,575) Equity Shares of Rs. 10/- each fully paid)	-	29.46
Annapurna Swadist Ltd. 1,41,000 (31st March 2023: 1,40,000) Equity Shares of Rs. 10/- each fully paid)	538.62	269.43
Tips Films Limited. 2,339 (31st March 2023: 4,339) Equity Shares of Rs. 10/- each fully paid)	15.77	18.02
	1,239.92	517.29
Aggregate amount of quoted investments	8,866.53	2,525.51
Aggregate Market value of quoted investments	8,866.53	2,525.51
Aggregate amount of unquoted investments	3,923.40	3,233.84

5 Loans	As at 31 March 2024	As at 31 March 2023
Current		
(Unsecured, considered good)		
Repayable on demand		
Loans to related party	10.55	150.00
Others		
- Loans to body corporate and others	9,540.01	8,794.17
Total	9,550.56	8,944.17

(a) Disclosure as required by section 186(4) of the Companies Act, 2013

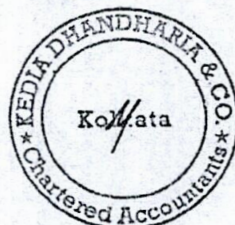
Particulars	Purpose	As at 31 March 2024	As at 31 March 2023
Related Parties			
Jaik Leasing & Commercial Investments Ltd.	For Business Purpose	10.55	-
MSP Cement Ltd	For Business Purpose	-	150.00
Others			
Loans to body corporate and others	For Business Purpose	9,540.01	8,794.17

(b) Loans which are payable on demand granted to promoters, directors, KMPs and other related parties.

Type of Borrower	Nature of Loans	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Promoters		-	-		
Directors		-	-		
KMPs		-	-		
Related Parties					
Jaik Leasing & Commercial Investments Ltd.	Payable on demand	10.55		0.11%	
MSP Cement Ltd	Payable on demand	-	150.00	-	1.68%

6 Deferred tax (liabilities) / asset (net)	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
- Tax impact of unabsorbed loss / allowances	163.54	-
- Unrealised loss on Investments arising on fair valuation (FVOCI)	-	475.12
- Unrealised profit on Investments arising on fair valuation (FVTPL)	76.32	-
- Other timing differences	37.43	49.27
Less: Deferred tax liability		(5,063.98)
- Tax impact on difference between book value on depreciable asset and written down value for income tax purposes	(4,987.59)	
- Unrealised profit on Investments arising on fair valuation (FVTPL)	-	(31.18)
- Unrealised profit on Investments arising on fair valuation (FVOCI)	(294.92)	-
- Other timing differences	-	9.55
Net Deferred tax (liabilities) / assets (Net)	(5,005.21)	(4,561.22)

7 Other non-current assets	As at 31 March 2024	As at 31 March 2023
Capital advances	760.83	1,315.81
Advances other than capital advances		
- Security Deposits	29.01	17.50
Total	789.84	1,333.31



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

8 Inventories	As at 31 March 2024	As at 31 March 2023
(Valued at the lower of cost and net realisable value)		
Raw materials	3,454.73	6,080.19
Finished goods	5,869.90	5,395.26
Work-in-Progress	9.56	117.34
Stores and spares	2,392.49	3,002.95
Total	11,726.68	14,595.75

Cost of inventory recognised as an expense

	As at 31 March 2024	As at 31 March 2023
Cost of materials consumed	97,360.39	90,801.57
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(467.16)	(2,963.92)
Consumption of stores and spares	5,478.75	5,605.89
Power and fuel consumed	6,905.82	6,584.42

9 Trade receivables

(Unsecured unless otherwise stated)

Trade receivables (considered good)

Trade receivables which have significant increase in credit risk

Less : loss allowance for trade receivable

Total

	As at 31 March 2024	As at 31 March 2023
Trade receivables (considered good)	5,652.26	4,420.60
Trade receivables which have significant increase in credit risk	-	-
Less : loss allowance for trade receivable	4.30	-
Total	5,647.96	4,420.60

Note: Trade Receivables includes

Dues from companies include enterprises over which key management personnel / shareholders / relatives have significant influence

2,889.47 1,294.09

The ageing of trade receivable is as below:

Particulars	Outstanding as on 31 March 2024 from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,685.91	14.36	32.29	390.46	507.72	5,630.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	21.52	21.52
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	4,685.91	14.36	32.29	390.46	529.24	5,652.26

Particulars	Outstanding as on 31 March 2023 from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,848.19	590.65	393.66	2.88	-	4,399.08
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	21.52	-	21.52
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	2,848.19	590.65	393.66	24.39	-	4,420.60

10 Cash and cash equivalents

Balances with banks
- In current accounts
Cash on hand
Total

	As at 31 March 2024	As at 31 March 2023
Balances with banks	687.22	2,425.39
- In current accounts	48.31	20.28
Cash on hand	735.53	2,445.67
Total		



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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
11 Other bank balances		
Fixed deposit *	1,557.47	1,634.25
Total	1,557.47	1,634.25

* Represents fixed deposit of

a) ₹ 1511.52 lakhs (₹ 1578.57 lakhs) with original maturity of more than 3 months but less than 12 months from the balance sheet date.

b) ₹ 45.77 lakhs (₹ 55.68 lakhs) of Fixed deposit having more than 12 months of maturity from the balance sheet date.

c) Fixed deposit includes an amount of ₹ 516.33 lakhs (₹ 585.80 lakhs) has been given for the margin money against BG & LC.

	As at 31 March 2024	As at 31 March 2023
12 Other financial assets		
Non-Current (Unsecured, considered good)		
Security deposits	1,265.82	1,222.02
Total	1,265.82	1,222.02
Current		
Security deposit	254.12	244.52
Interest accrued on fixed deposit	186.68	195.04
Loans and advances to employee	13.77	9.06
Interest on Debenture Receivable	1.06	0.24
Total	455.62	448.85

	As at 31 March 2024	As at 31 March 2023
13 Other current assets		
- Advances recoverable in cash or kind	1,919.50	7,522.91
Others		
- Prepaid expenses	32.30	42.55
- Balance with government authorities	2,362.41	1,538.09
Total	4,314.21	9,103.55

	As at 31 March 2024	As at 31 March 2023
14 Current tax liabilities (Net)		
Current taxation (net of provision)	74.72	36.28
Total	74.72	36.28

	As at 31 March 2024	As at 31 March 2023
15 Equity share capital		
Authorised		
3,40,00,000 (31st March 2023: 3,40,00,000) Equity Shares of Rs. 10/- each	3,400.00	3,400.00
	3,400.00	3,400.00
Issued, subscribed and fully paid-up		
Equity Shares of 10/- each fully Paid up	3,323.00	3,323.00
	3,323.00	3,323.00

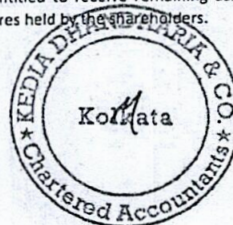
A) Reconciliation of equity shares (ordinary shares) outstanding at the beginning and at the end of the reporting year

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
At the commencement of the year	33,229,975	3,323.00	33,976,975	3,323.00
Add: Issued during the year				
Number of shares outstanding at the end of the year	33,229,975	3,323.00	33,976,975	3,323.00

B) Terms & Rights attached to equity shares

The Company has one class of equity shares having a nominal value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

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



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

C) Particulars of shareholders holding more than 5% shares of fully paid up equity shares of the holding company					
		As at 31 March 2024		As at 31 March 2023	
Sl. No.	Name of the shareholder	Number	% of total shares in the class	Number	% of total shares in the class
1	Jaik Leasing & Investment Ltd [Refer below note (i)]	6,983,911	21.02%	5,196,387	15.79%
2	M.A Hire Purchase Pvt. Ltd [Refer below note (v)]	5,193,568	15.63%	4,926,973	14.97%
3	Shree Vinay Finvest (P) Ltd.	4,916,049	14.79%	4,876,049	14.82%
4	Ravi Business Services (P) Ltd.	4,469,986	13.45%	4,429,986	13.46%
5	Jagran Vyapar (P) Ltd.	1,883,537	5.67%	1,883,537	5.72%
6	Digvijay Tracon (P) Ltd [Refer below note (iii)]	1,684,027	5.07%	1,521,027	4.62%

D) Details of Promoter's Shareholding in the holding company

Sl. No	Promoter's name	As at 31 March 2024		As at 31 March 2023		% Change during the year
		No. of Share	% of total shares	No. of Share	% of total shares	
1	Ekta Agarwal	101,875	0.31%	101,875	0.31%	-
2	Kiran Agrawal	104,250	0.32%	104,250	0.32%	-
3	Manish Agrawal	331,350	1.01%	331,350	1.01%	-
4	Nisha Agrawal	95,000	0.29%	95,000	0.29%	-
5	Pranay Agrawal	270,250	0.81%	270,250	0.81%	-
6	Priyanka Agrawal	43,500	0.13%	43,500	0.13%	-
7	Puranmal Agrawal	31,300	0.10%	31,300	0.10%	-
8	Puranmal Agrawal (Huf)	165,000	0.50%	165,000	0.50%	-
9	Pradip Kumar Dey	50,100	0.15%	50,100	0.15%	-
10	Richa Agrawal	91,875	0.28%	91,875	0.28%	-
11	Saket Agrawal	120,100	0.36%	120,100	0.36%	-
12	Suresh Kr. Agrawal	36,300	0.11%	36,300	0.11%	-
13	Suresh Kr. Agrawal (Huf)	112,500	0.34%	112,500	0.34%	-
14	Ramanand Puranmal(Huf)	156,000	0.47%	156,000	0.47%	-
15	Danta Vyapar Kendra Ltd.	1,618,333	4.87%	1,618,333	4.87%	-
16	Dexo Trading (P) Ltd.	533,100	1.60%	533,100	1.60%	-
17	Digvijay Tracon (P) Ltd [Refer below note (iii)]	1,684,027	5.07%	1,521,027	4.62%	0.44%
18	Howrah Gases Ltd.	56,500	0.17%	56,500	0.17%	-
19	Jaik Leasing & Investment Ltd [Refer below note (i)]	6,983,911	21.02%	5,196,387	15.79%	5.22%
20	Larigo Investment (P) Ltd. [Refer below note (i)]	-	-	183,500	0.56%	-0.56%
21	M.A Hire Purchase Pvt. Ltd. [Refer below note (v)]	5,193,568	15.63%	4,926,973	14.97%	0.65%
22	MSP Infotech (P) Ltd [Refer below note (i)]	-	-	497,251	1.51%	-1.51%
23	MSP Properties (I) Ltd [Refer below note (i)]	-	-	849,050	2.58%	-2.58%
24	MSP Steel & Power Ltd.	313,000	0.94%	313,000	0.94%	-
25	Rama Alloys (P) Ltd. [Refer below note (iii)]	-	-	163,000	0.50%	-0.50%
26	Shree Vinay Finvest (P) Ltd.	4,916,049	14.79%	4,876,049	14.82%	-0.03%
27	Sikhar Commotrade (P) Ltd	503,500	1.52%	503,500	1.52%	-
28	Eastern Gas Chemicals (P) Ltd [Refer below note (iv)]	-	-	43,750	0.13%	-0.13%
29	Procheta Consultants Pvt. Ltd. [Refer below note (ii)]	219,835	0.66%	164,835	0.50%	0.16%
30	Sampat Marketing Company Pvt. Ltd.	934,065	2.81%	934,065	2.81%	-
31	Jagran Vyapar (P) Ltd.	1,883,537	5.67%	1,883,537	5.67%	-
32	Ginny Traders Pvt Ltd [Refer below note (iv)]	43,750	0.13%	-	-	0.13%
Total		26,592,575	80.07%	25,973,257	78.76%	

Note

- i) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 23.03.2023 Larigo Investment Pvt Ltd, MSP Properties (India) Limited, MSP Infotech Pvt. Ltd., MSP Rolling Mills (P) Ltd and Shreevadh Mercantile Pvt Ltd have been merged with Jaik Leasing and Commercial Investment Limited. Therefore equity shares of the company held by Larigo Investment Pvt Ltd (1,83,500), MSP Properties (India) Limited (8,49,050) MSP Infotech Pvt. Ltd.(4,97,251) and equity shares of the Viconic Merchants Pvt. Ltd held by Shreevadh Mercantile Pvt Ltd (2,57,723) have been transferred to Jaik Leasing and Commercial Investment Limited
- ii) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 24.01.2024 Anup Enclave Pvt. Ltd. B.S. Confin Pvt. Ltd, Emerald Tradelink Private Limited, High Time Holdings Private Limited, Rajnath Vyapaar Private Limited and Kanahiya Deal-Com Pvt. Ltd. have been merged with Procheta Consultants Pvt Ltd. Therefore equity shares of the company held by Anup Enclave Pvt. Ltd. (55,000) has been allotted to Procheta Consultancy Pvt. Ltd.
- iii) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 02.08.2023 DPS Development Pvt. Ltd., Gemini Films & Finance Pvt. Ltd., Rama Alloys Pvt. Ltd. and UTA Transport Pvt. Ltd. have been merged with Digvijay Tracon Pvt Ltd. Therefore equity shares of the company held by Rama Alloys Pvt. Ltd (1,63,000) has been transferred to Digvijay Tracon Pvt Ltd
- iv) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 29.02.2024 Devesh Advisory Services Private Limited, Eastern Gas Chemicals Pvt. Ltd, Navratan Tie Up Pvt. Ltd. & Pleasant Vanijiya Pvt. Ltd. was merged with Ginny Traders Pvt. Ltd. Therefore equity shares of the company held by Eastern Gas Chemicals Pvt. Ltd (43,750) has been allotted to Ginny Traders Pvt. Ltd.
- v) As per the Scheme of Amalgamation of MSPSIL & VMPL equity shares of Viconic Merchants Pvt. Ltd. held by Jagita Vyapar Pvt. Ltd (2,66,595) has been transferred to M.A Hire Purchase Pvt. Ltd



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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

16 Other equity
A. Summary of other equity balances

	As at 31 March 2024	As at 31 March 2023
a) Share premium	21,206.74	21,206.74
b) Capital reserve	40,224.57	40,224.57
c) General Reserve as per the Scheme of Amalgamation	3,622.04	3,622.04
d) Retained Earnings		
- Balance as per last financial statements	1,947.50	6,643.80
- Adjustment for change in depreciation method by Associate Company, affecting prior period financials	-	5.76
- Profit/(Loss) for the year	1,466.59	(4,702.07)
	3,414.09	1,947.50
d) Items of Other Comprehensive Income		
- Remeasurements of defined benefit liability/ (asset)	24.19	(37.94)
- Fair value of equity instruments through OCI	4,029.84	(1,463.22)
	4,054.03	(1,501.16)
Total (a+b+c+d)	72,521.48	65,499.70
 Non-Controlling Interest		
- Balance as per last financial statements	1,153.94	1,114.15
- Profit/(Loss) for the year	2.60	(208.31)
- Transaction with non controlling interest	90.41	248.10
	1,246.96	1,153.94

Components	Note	As at 1 April 2023	Movement during the year	As at 31 March 2024	As at 31 March 2023
Capital reserve	a	40,224.57	-	40,224.57	40,224.57
General Reserve	b	3,622.04	-	3,622.04	3,622.04
Share premium	c	21,206.74	-	21,206.74	21,206.74
Retained earnings	d	1,947.50	1,466.59	3,414.09	1,947.50
Other Comprehensive Income	e	(1,501.16)	5,555.18	4,054.03	(1,501.16)
		65,499.70	7,021.78	72,521.48	65,499.70

17 Borrowings
Non-current
Unsecured

- Inter corporate deposits

- Bonds & Debentures

(2,310 Numbers of 0.1% Optionally Convertible Debentures of Rs. 1,00,000/- each, Fully paid up)

Total
Current
Secured - at amortised cost

- Cash credit facility

Unsecured

- Inter corporate deposits

- Loans and advances from related party (Note no : 35)

- Others

Total

	As at 31 March 2024	As at 31 March 2023
- Inter corporate deposits	-	395.23
- Bonds & Debentures	-	2,310.00
Total	-	2,705.23
Current		
Secured - at amortised cost		
- Cash credit facility	1,002.69	-
	1,002.69	-
Unsecured		
- Inter corporate deposits	58.33	828.41
- Loans and advances from related party (Note no : 35)	-	392.65
- Others	-	259.32
	58.33	1,480.39
Total	1,061.02	1,480.39

*** A) 1. Working Capital Loan from Kotak Mahindra Bank Ltd**

Kotak Mahindra Bank Ltd. 6th Floor, C-12, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051 has sanctioned working capital facility of Rs 50 Crores to the company.

2. Security
Primary Security

a) Exclusive charges of all existing & future current assets including receivables and inventory of the company.

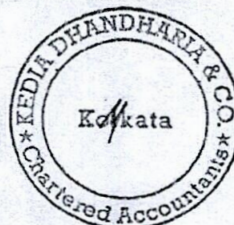
b) Hypothecation of Plant & Machinery at Unit-I Village- Haldiaguna & Balisuan, P.O. Goverdhan, Dist- Keonjhar, Odisha as exclusive charge

Collateral Security

a) Exclusive mortgage of factory land and building located at Village: Haldiaguna, P.O. Govardhan, Dist: Keonjhar, Odisha and at Village: Balisuan, P.O. Govardhan, Dist: Keonjhar, Odisha owned by the company

b) Personal Guarantee of Mr. Manish Agrawal & Mr. Suresh Agrawal

B) HDFC Bank, New Alipore branch has sanctioned Over Draft limit of Rs. 9.40 Cr against Fixed Deposit of Rs. 10 Cr



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

18 Provisions	As at 31 March 2024	As at 31 March 2023
Non-current		
Provisions for employee benefits		
- Provision for gratuity (net of plan asset)	62.51	69.25
- Provision for leave encashment	66.97	67.50
- Contingent Provision as per RBI guidelines		
Total	129.48	136.74
Current		
Provisions for employee benefits		
- Provision for gratuity (net of plan asset)	38.21	52.49
- Provision for leave encashment	5.22	6.54
Total	43.44	59.03

19 Trade payables	As at 31 March 2024	As at 31 March 2023
a) Dues to micro enterprises and small enterprises (MSME)	241.85	9.60
b) Dues to other than micro enterprises and small enterprises	3,312.74	3,211.40
	3,554.59	3,221.00

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

Dues to Micro And Small Enterprises

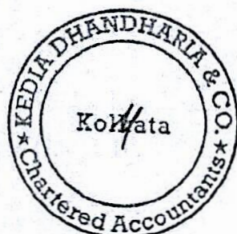
Particulars	As at 31 March 2024	As at 31 March 2023
a. The principal amount remaining unpaid to any supplier as at the end of each accounting year;	238.61	8.97
b. The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	3.24	0.63
c. The total amount paid by the buyer, including interest under MSMED Act, 2006	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e. Interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	3.24	0.63

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

19.2 Trade Payables ageing schedule

Outstanding as on March 31, 2024 from due date of payment					
Particulars	Less than to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed dues - MSME	241.15			0.70	241.85
(ii) Undisputed dues - Others	3,209.28	39.99	14.91	48.56	3,312.74
(iii) Disputed dues - MSME				-	-
(iv) Disputed dues - Others				-	-
Total	3,450.43	39.99	14.91	49.26	3,554.59
Outstanding as on March 31, 2023 from due date of payment					
Particulars	Less than to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed dues - MSME	7.29	1.22		1.08	9.60
(ii) Undisputed dues - Others	3,102.30	46.07	20.18	42.86	3,211.40
(iii) Disputed dues - MSME				-	-
(iv) Disputed dues - Others				-	-
Total	3,109.60	47.29	20.18	43.94	3,221.00

20 Other financial liabilities	As at 31 March 2024	As at 31 March 2023
Current		
Others		
- Creditor for capital goods	209.55	161.36
- Security deposit	73.52	81.83
- Other Payables	1,539.97	1,730.33
Total	1,823.04	1,973.53



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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
21 Other current liabilities		
Advance from customers	1,073.16	4,036.54
Others	1,093.79	729.23
Total	2,166.95	4,765.77

	Year ended 31 March 2024	Year ended 31 March 2023
22 Revenue from operations		
Sale of products*	117,427.86	109,457.26
Revenue from sale of products and services	117,427.86	109,457.26
Other operating income		
- Scrap and by products	1,316.36	1,023.97
- Material Handling Charges Received	534.51	291.79
- Conversion Charges Received	1,968.88	-
- Others **	79.55	1,492.89
Total	121,327.15	112,265.90

* It is inclusive of :-

- Deemed export (through third party) valued at Nil Lakhs (Rs. 22.95 Lakhs during the FY 2022-23)
- Trading sale of Nil Lakhs (Rs. 108.70 Lakhs during the FY 2022-23).

** It includes Raw material sale of Nil lakhs (Rs. 1,375.32 lakhs during the FY 2022-23)

* Details of Finished Products Sold	31 Mar 2024	31st March 2023
- Iron pellets	46,761.78	43,297.84
- Silico manganese	10,466.73	15,772.61
- TMT bar	22,164.68	22,229.27
- Sponge iron	6,717.87	6,549.23
- Pig Iron	7,798.69	6,046.27
- MS Billet	-	217.20
- I.W. Bricks	48.24	0.44
- MS Pipes	23,469.87	15,235.70
- Trading Sale	-	108.70
Total	117,427.86	109,457.26

	Year ended 31 March 2024	Year ended 31 March 2023
23 Other income		
Interest income on Unsecured Loan	746.09	1,116.32
Interest income on fixed deposits and others	151.82	146.44
Interest Received on 0.01% Optionally Fully Convertible Debentures	1.18	0.26
Dividend income on long term investments	10.01	7.74
Other non-operating income		
- Profit on Sale of Shares	(15.71)	25.56
- Fair value changes on investments measured at fair value through profit or loss	729.75	-113.58
- Others	349.02	470.47
Total	1,972.17	1,653.21

	Year ended 31 March 2024	Year ended 31 March 2023
24 Cost of materials consumed		
Inventory of raw materials at the beginning of the year	6,080.18	8,131.46
Add: Purchases	94,734.94	88,750.29
	100,815.12	96,881.75
Less: Inventory of raw materials at the end of the year	(3,454.73)	(6,080.19)
Cost of materials consumed	97,360.39	90,801.57

Details of raw materials and components consumed	31 March 2024	31 March 2023
- Coal and coke (including fines)*	18,883.42	25,159.58
- Iron ore (including fines)	39,516.05	27,101.77
- Sponge Iron	123.71	2,771.22
- Scrap	-	1,173.47
- Pig Iron / Pooled Iron	2,384.34	869.71
- MS billets/ ingots	5,148.33	6,652.00
- Manganese ore	4,131.68	6,243.13
- Pellet (including fines)	1,321.43	934.90
- Raw Material for Bricks	47.17	10.56
- MS Strips	23,742.76	16,025.90
- Others	2,061.49	3,859.35
Total	97,360.39	90,801.57

*Includes Coal consumed in Captive Power Plant.



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Details of Inventory - Raw materials and components	31 March 2024	31 March 2023
- Coal and coke (including fines)	1,045.25	2,041.09
- Iron ore (including fines)	1,714.92	2,907.18
- Manganese ore	237.14	834.36
- Pig Iron	81.53	-
- MS Billet	54.97	86.23
- Raw Material for Bricks	2.60	0.91
- MS Strips	206.76	120.49
- Others	111.54	89.92
Total	3,454.73	6,080.19

25 Change in Inventories of finished goods, By-product and work-in-progress

	Year ended 31 March 2024	Year ended 31 March 2023
Inventories at the beginning of the period		
Finished Goods	5,395.27	1,852.53
Work-in-progress	117.34	1,019.08
	5,512.61	2,871.61
Less Inventories at the end of the period		
Work-in-progress	9.56	117.34
Finished Goods	5,869.90	5,395.26
	5,879.46	5,512.61
Less Transferred to project (CWIP) - Finished Goods*	100.30	322.92
(Increase)/Decrease in Inventories	(467.16)	(2,963.92)

* MS Round and I.W Bricks manufactured has been consumed captively for the project 350 TPD DRI & Captive Power Plant

Details of inventory - Finished goods	31 March 2024	31 March 2023
- Silico manganese	88.71	198.77
- Pig Iron	65.29	-
- MS Round	181.86	177.00
- MS Billets	2.58	4.05
- Iron Ore pellet	3,562.77	3,381.26
- Waste & Scrap and Runners	21.54	141.14
- Sponge iron	90.30	132.53
- I.W. Bricks & Paver Blocks	17.70	7.15
- MS Pipes	1,766.57	1,203.09
- Others	72.59	150.26
Total	5,869.91	5,395.26

26 Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, Wages & Bonus	5,816.38	5,426.75
Directors Remuneration (viz. Salary)	228.82	207.18
Contribution to Provident and Other Funds	208.21	199.61
Staff Welfare Expenses	203.77	199.26
Total	6,457.17	6,032.79

27 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest Expense	77.39	284.01
Bank Charges & Other Borrowing Costs	54.07	2.40
Total	131.45	286.41

Details of Interest Expenses	31 March 2024	31 Mar 2023
- Overdraft & CC	4.20	4.89
- Debenture	1.52	2.31
- Interest on Unsecured Loan	71.66	276.81
Total	77.39	284.01

28 Depreciation and amortization expense

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of tangible assets	2,010.21	1,886.10
Amortization of intangible assets	9.64	8.34
	2,019.85	1,894.44



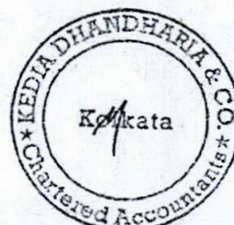
MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

29	Other expenses	Year ended	Year ended
		31 March 2024	31 March 2023
	Consumption of stores and spares	5,478.75	5,605.89
	Power and fuel consumed	6,905.82	6,584.42
	Equipment hire charges	232.71	241.45
	Repair and maintenance of		
	- Building	17.79	80.13
	- Plant and machinery	153.90	194.86
	- Others	76.68	170.64
	Material handling charges	299.12	341.52
	Vehicle running and maintenance	170.07	165.83
	Social welfare expenses / Peripheral Development Expenses	209.64	208.02
	Travelling and conveyance	99.04	122.51
	Payment to Auditors	5.08	3.95
	Rent	112.16	62.82
	Rates and taxes	470.99	452.77
	Testing charges	22.36	23.09
	Legal and professional fees	183.78	137.90
	Provision for doubtful debts	4.30	-
	Advertisement and sales promotion	198.27	519.96
	Freight outward	528.58	1,866.51
	Exchange differences (net)	7.79	-
	Sales and distribution expenses	485.13	396.28
	Dust, dumping and shifting expense	164.50	136.56
	Security expenses	206.81	213.07
	Insurance charges	82.06	72.62
	Investment written off	-	772.22
	Telephone and Mobile expenses	8.75	8.18
	Loss on sale Future & Options	-	58.79
	Miscellaneous expenses	218.44	189.27
		16,342.51	18,629.26
29.1	Payment to Auditors as:	31 March 2024	31 March 2023
	Statutory Audit fees	3.65	2.80
	Tax audit fees	0.60	0.60
	Certification fees	0.48	0.20
	Cost audit fees	0.35	0.35
	Total	5.08	3.95
30	Income taxes		
A.	Amount related to profit or loss	31 March 2024	31 March 2023
	Current tax		
	Current period	315.54	263.59
	Income Tax for Previous year	3.32	84.68
		318.87	348.27
	Deferred tax		
	Deferred tax for the year	(341.67)	3,681.73
		(341.67)	3,681.73
	Tax expense reported in the Statement of Profit and Loss [(A)+(B)]	(22.80)	4,029.99
B.	Income tax related to other comprehensive income	31 March 2024	31 March 2023
	Deferred tax		
	On items that will not be reclassified to profit or loss		
	- Remeasurements of defined benefit plans	(15.64)	(9.55)
	- Equity instruments through other comprehensive income	(770.03)	(475.12)
	Income tax expense reported in the Statement of Profit and Loss	(785.67)	(484.66)
C.	Reconciliation of effective tax rate	31 March 2024	31 March 2023
	Profit before tax	1,545.71	(867.52)
	Tax using the Indian tax rate @ 25.17% (P.Y. 25.17%)	389.02	(92.41)
	Tax using the Indian tax rate @ 17.16% - Subsidiary Company	-	-
	Tax exempt income	-	-
	Non - deductible expenses for tax purposes	57.37	271.98
	Deferred tax effect relating to change in tax rates	-	-
	Differential tax effect relating to change in tax rates in STCG & LTCG	6.07	(2.60)
	Tax impact of expenses charged to the statement of profit & Loss but allowable under tax law deferred	109.98	58.03
	Utilisation of carried forward loss	(63.24)	-
	Other tax differences	(183.66)	28.59
	Effective tax	315.54	263.59



31 Earnings/ (loss) per share (EPS) (Ind AS 33)

A. Basic earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of earnings per share calculation are as follows:

Earnings per equity share

	As at 31 March 2024	As at 31 March 2023
Earnings per share has been computed as under:		
(a) Profit after tax as per Statement of Profit and Loss attributable to the owners of the Company	1,466.59	(4,702.07)
(b) Weighted average number of ordinary shares (basic and diluted)	33,229,975	33,229,975
(c) Earnings per share on profit for the year		
- Basic EPS	4.41	(14.15)
- Diluted EPS	4.41	(14.15)

32 Segment information

The Group is engaged in manufacturing of "Iron and Steel". Consequent to the adoption of IND-AS, the Group has identified one operating segment viz, "Iron and Steel", which is consistent with the internal reporting provided to the managing director who is the chief operating decision maker of the Group.

Particulars	Revenue (by location of operations)		Non-current assets (see note below)	
	Year ended 31 March 2024	Year ended 31 March 2023	As at 31 March 2024	As at 31 March 2023
Country				
Within India	121,327.15	112,265.90	42,783.77	40,309.70
Outside India	-	-	-	-
Total	121,327.15	112,265.90	39,590.74	40,309.70

Note: Non-current assets exclude financial assets, deferred tax assets and post-employment benefit assets.

33 Employee Benefits

(a) Defined contribution plans:

Contribution to defined contribution plans, recognised as expense for the year are as under:

Particulars

	As at 31 March 2024	As at 31 March 2023
Employer's contribution to Provident Fund	121.06	115.91
Employer's contribution to ESIC	19.07	23.57
	140.13	139.48

(a) Defined benefit plans:

Statement of Assets and Liabilities for defined benefit obligation

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Net defined benefit asset	-	-	434.30	389.64
Net defined benefit obligation	72.19	74.04	535.02	511.38
Total employee benefit liabilities/(Assets)	72.19	74.04	100.72	121.74
Current	5.22	6.54	38.21	52.49
Non-current	66.97	67.50	62.51	69.25

Defined benefits - Gratuity

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded).

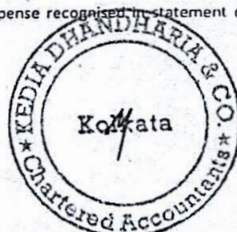
The Company provides gratuity to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimation of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, interest risk and market (investment) risk.

Inherent risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risk pertaining to the plan. In particular, this exposes the Company, to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to longevity risk.

The following tables analyze present value of defined benefit obligations, expense recognised in statement of Profit and Loss, actuarial assumptions and other information.



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Reconciliation of the net defined benefit (asset)/ liability:
(i) Reconciliation of present value of defined benefit obligation

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(a) Balance at the beginning of the year	74.04	67.87	511.38	432.23
(b) Current service cost	6.42	5.61	47.60	43.39
(c) Interest cost	5.49	4.71	37.92	30.02
(d) Actuarial (gains)/ losses recognised in other comprehensive				
- financial assumptions	(4.97)	3.59	(35.17)	23.56
- demographic assumptions	-	-	-	-
- experience adjustment	(2.18)	(4.06)	13.34	15.21
(e) Benefits paid	(6.60)	(3.69)	(40.05)	(33.04)
(f) Past service cost	-	-	-	-
Balance at the	72.19	74.04	535.02	511.38

(ii) Net (asset)/ liability recognised in the Balance Sheet

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	72.19	74.04	535.02	511.38
Fair value of plan assets	-	-	(434.30)	(389.64)
Net defined benefit obligations in the Balance Sheet	72.19	74.04	100.72	121.74

(iii) Expense recognised in Profit or Loss

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(a) Current service cost	6.42	5.61	47.60	43.39
(b) Interest cost	5.49	4.71	9.03	6.68
(c) Expected return on plan assets	-	-	-	-
(d) Past service cost	-	-	-	-
(e) Actuarial loss/ (gain) arising on defined benefit obligation from				
- demographic assumptions	-	-	-	-
- financial assumptions	(4.97)	3.59	-	-
- experience adjustment	(2.18)	(4.06)	-	-
Amount charged to Profit or Loss	4.76	9.86	56.62	50.08

(iv) Remeasurements recognised in Other Comprehensive Income

	Gratuity	
	As at 31 March 2024	As at 31 March 2023
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- Demographic assumptions	-	-
- Financial assumptions	(35.17)	23.56
- Experience adjustment	13.34	15.21
(b) Actual return on plan asset less interest on plan asset	4.80	3.23
Amount recognised in Other Comprehensive Income	(17.03)	42.00

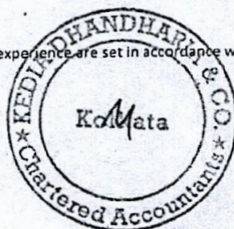
(v) Reconciliation of present value of plan assets

	Gratuity	
	As at 31 March 2024	As at 31 March 2023
(a) Balance at the beginning of the year	389.64	335.99
(b) Investment Income	28.89	23.34
(c) Actual return on plan asset less interest on plan asset	(4.80)	(3.23)
(d) Contributions by the employer	60.61	66.58
(e) Benefits paid	(40.05)	(33.04)
Balance at the end of the year	434.30	389.64

(vi) Actuarial assumptions

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Discount rate	7.15%	7.40%	7.15%	7.40%
Expected rate of salary increase	5.00%	6.00%	5.00%	6.00%
Retirement age (years)	60 Years	60 Years	60 Years	60 Years
Average future service	17.59	19.14	17.59	18.26

Assumptions regarding future mortality experience are set in accordance with the published rates under Indian Assured Lives Mortality (2006-08).



(vii) Sensitivity analysis

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation on salary growth rate plus 100 basis points	78.89	81.12	582.41	557.41
Defined benefit obligation on attrition rate plus 100 basis points	74.35	75.50	549.16	520.13
Defined benefit obligation on mortality rate plus 100 basis points	72.23	74.06	535.27	511.54
Defined benefit obligation on discount rate plus 100 basis points	66.42	67.91	493.77	470.80
Defined benefit obligation on salary growth rate minus 100 basis points	66.26	67.78	492.60	470.15
Defined benefit obligation on attrition rate minus 100 basis points	69.38	72.12	516.70	499.82
Defined benefit obligation on mortality rate minus 100 basis points	72.16	74.02	534.77	511.22
Defined benefit obligation on discount rate minus 100 basis points	78.81	81.09	582.04	557.88

	Leave Encashment		Gratuity	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(vii) Weighted average duration of defined benefit obligation	9 Years	9 Years	8 Years	9 Years
(viii) Maturity profile of defined benefit obligation				
Within the next 12 months	5.22	6.54	38.21	52.49
Between 2 and 5 years	26.43	22.82	204.63	160.11
Between 6 and 10 years	38.00	40.09	288.43	273.88
More than 10 years	82.23	96.29	555.41	616.07

34 Related Party Disclosures (Ind AS-24)

In accordance with the requirements of IND AS 24, on Related Party Disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are provided below:

a) Associates

Sidhsilver Infraproperties Pvt Ltd

b) Key Managerial Personnel & their relatives

Name	Designation / Nature of Relationship
Mr. Manish Agrawal	Managing Director
Mr. Suresh Kumar Agrawal	Director
Mr. Pradip Kumar Dey	Director
Mrs. Sunita Mohanty	Independent Director
Mrs. Aparna Kar	Independent Director
Mr. Prashant Kumar Pandey	Non-Executive Professional Director
Mr. Rakesh Kumar Swain	Non-Executive Professional Director
Mr. Subhash Agarwal	Chief Financial Officer
Mrs. Vasucha Agarwal (Appointed as Company Secretary from 12th October 2023)	Company Secretary
Mrs. Ruchika Mohata (Company Secretary from 12th April, 2023 to 18th August, 2023)	Company Secretary

Relatives of Key Management Personnel .

Mr. Purnam Agarwal	Father of Manish Agrawal
Mrs. Kiran Agarwal	Mother of Manish Agrawal
Mrs. Richa Agarwal	Wife of Manish Agrawal
Ms. Priyanka Agrawal	Sister of Manish Agrawal
Mr. Saket Agrawal	Son of Suresh Kumar Agrawal
Mr. Pranay Agrawal	Son of Suresh Kumar Agrawal
Mrs. Nisha Agrawal	Wife of Suresh Kumar Agrawal
Mrs. Ekta Agrawal	Wife of Saket Agrawal
Mrs. Dishha Agarwal	Wife of Pranay Agrawal

c) Enterprises owned or significantly influenced by key management personnel or their relatives

Admirable Realtors Pvt Ltd
Credence Vinimay Private Limited
Howrah Gases Ltd.
Illex Private Ltd.
Jagran Vyapaar Pvt Ltd
Jaik Leasing And Commercial Investment Limited
Khatupati Energy Ltd.
M. A. Hire Purchase Pvt. Ltd.
Mayur Media Services Private Limited

MSP Cement Ltd.
MSP Mines & Minerals Ltd.
MSP Steels and Power Ltd.
Prateek Mines & Minerals Private Limited
Procheta Consultants Pvt. Ltd.
Rakhi Vinimay Pvt Ltd
Sampat Marketing Co. Pvt. Ltd.
Shree Vinay Finvest Pvt. Ltd.
Veena Vyapaar Pvt. Ltd.



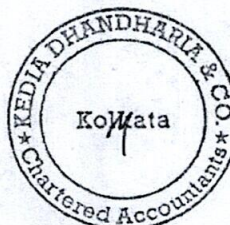
MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Disclosure in respect of significant transactions of the same type with related parties during the year		
Nature of Transactions (including taxes & duties where ever applicable)	2023-24	2022-23
Sale of goods & services		
MSP Steel & Power Ltd.	16,782.79	15,919.10
Purchase of Raw Material & Components Consumed		
MSP Steel & Power Ltd.	7,728.64	6,679.98
Jagran Vyapaar Private Limited	107.48	
Security Deposit		
Sidhsilver Infraproperties Pvt Ltd	22.00	20.00
Amount paid by party on behalf of us		
MSP Steel & Power Ltd.	26.96	17.68
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	6.95	-
MSP Mines & Minerals Limited	1.25	-
Sidhsilver Infraproperties Pvt Ltd	10.17	-
Refund of Advance		
MSP Mines & Minerals Limited	1,550.00	-
Amount paid on behalf of party		
MSP Properties India Pvt. Ltd. [Note-(i)]	-	34.12
Shree Vinay Finvest Pvt. Ltd.	-	5.50
MSP Infotech Pvt. Ltd. [Note-(i)]	-	3.03
Howrah Gases Limited	-	5.50
Nisha Agrawal	-	-
MSP Steel & Power Ltd.	265.39	340.43
Rent Expenses		
Nisha Agrawal	2.88	2.88
Richa Agrawal	2.88	2.88
MSP Infotech Pvt. Ltd. [Note-(i)]	-	17.70
Sidhsilver Infraproperties Pvt Ltd	63.72	-
MSP Properties India Pvt. Ltd. [Note-(i)]	-	7.08
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	24.78	-
Vehicle Hire Charges Expenses		
MSP Properties India Pvt. Ltd. [Note-(i)]	-	7.57
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	7.57	-
Mayur Media Services Pvt Ltd.	9.66	-
Equipment Hire Charges Expenses		
Digvijay Tracon Pvt. Ltd.	-	92.04
Veena Vyapaar Pvt. Ltd.	3.96	3.96
Jagran Vyapaar Private Limited	92.04	-
Loading & Handling Charges for Raw Material		
MSP Mines & Minerals Ltd.	14.16	14.16
Loans & Advances Given		
MSP Cement Limited	96.00	770.00
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	10.00	-
Repayment of Loans & Advances Given		
MSP Cement Limited	246.00	620.00
Interest received on Loans & Advances Given		
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	0.61	-
Loans & Advances Taken		
MSP Properties India Pvt. Ltd. [Note-(i)]	-	50.00
Shree Vinay Finvest Pvt. Ltd.	-	10.00
Ilex Private Ltd.	-	15.00
M. A. Hire Purchase Pvt. Ltd.	-	15.00
Sampat Marketing Co. Pvt. Ltd.	-	15.00
Credence Vinimay Pvt Ltd	-	150.00
Howrah Gases Limited	-	110.00
Shreevadhu Mercantiles Pvt Ltd	-	50.00
Repayment of Loans & Advances Taken		
MSP Properties India Pvt. Ltd. [Note-(i)]	-	50.00
Credence Vinimay Pvt Ltd	151.03	-
Ilex Private Ltd.	-	15.00
Procheta Consultants Pvt. Ltd.	-	20.00
M. A. Hire Purchase Pvt. Ltd.	37.09	85.00
Sampat Marketing Co. Pvt. Ltd.	-	5.00
MSP Cement Ltd.	-	-
Howrah Gases Limited	35.29	75.00
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	108.10	-
Shreevadhu Mercantiles Pvt Ltd [Note-(i)]	50.38	-
Interest expenses on Loans & Advances Taken		
M. A. Hire Purchase Pvt. Ltd.	-	7.92
MSP Properties India Pvt. Ltd. [Note-(i)]	-	0.15
Shree Vinay Finvest Pvt. Ltd.	-	0.32
Ilex Private Ltd.	-	0.33
Sampat Marketing Co. Pvt. Ltd.	-	9.90



MSP SPONGE IRON LIMITED

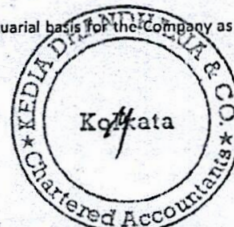
CIN:U27102WB31999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Credence Vinimay Pvt Ltd	-	1.15
Procheta Consultants Private Limited	-	0.27
Howrah Gases Limited	-	0.54
Shreevadhu Mercantiles Pvt Ltd	-	0.38
Directors' Remuneration		
Manish Agrawal	87.73	75.30
Pradip Kumar Dey	43.06	41.39
Suresh Kumar Agrawal	98.03	90.49
Key Managerial Remuneration		
Vasudha Agarwal (Appointed as Company Secretary from 12th October 2023)	3.07	4.19
Ruchika Mohata (Company Secretary from 12th April, 2023 to 18th August, 2023)	1.88	-
Saket Agrawal	74.43	72.10
Ekta Agrawal	30.00	-
Richa Agrawal	30.00	-
Balance outstanding at the year end are as follows:	31 March 2024	31 March 2023
Trade Receivable		
MSP Steel & Power Ltd.	2,889.47	727.43
Trade Payable		
Jagran Vyapaar Private Limited	7.54	7.54
Other Financial & Current liabilities - Others		
Nisha Agrawal	0.22	0.22
Richa Agrawal	3.47	0.22
Ekta Agrawal	3.25	1.35
MSP Infotech Pvt. Ltd. [Note-(i)]	-	2.19
MSP Mines & Minerals Ltd.	1.16	1.16
MSP Properties India Pvt. Ltd. [Note-(i)]	-	0.32
Veena Vyapaar Pvt. Ltd.	0.32	-
Prateek Mines & Minerals Pvt Ltd	410.85	410.85
Manish Agrawal	3.60	4.50
Suresh Kumar Agrawal	3.90	5.50
Pradip Kumar Dey	1.81	1.97
Saket Agrawal	2.93	6.40
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	2.51	-
Sidhsilver Infraproperties Pvt. Ltd.	8.93	-
Mayur Media Services Pvt Ltd.	0.79	-
Other current financial liabilities - Capital Creditor		
MSP Steel & Power Ltd.	480.75	71.01
Advance from customer		
Rakhi Vinimay Pvt. Ltd.	100.10	100.10
Other Current Asset - Advances recoverable in cash or kind		
MSP Steel & Power Ltd.	-	3,636.91
MSP Mines & Minerals Limited	-	1,550.00
Sidhsilver Infraproperties Pvt Ltd	42.00	20.00
Loans & Advances Given		
MSP Cement Limited	-	150.00
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	-	-
Loans & Advances Taken		
M. A. Hire Purchase Pvt. Ltd.	-	37.09
Sampat Marketing Co. Pvt. Ltd.	-	118.90
Credence Vinimay Pvt Ltd	-	151.03
Howrah Gases Limited	-	35.29
Shreevadhu Mercantiles Pvt Ltd	-	50.34
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	-	-
Investments		
MSP Steel & Power Ltd	7,569.37	1,954.18
M.A. Hire Purchase Pvt. Ltd	151.09	160.51
MSP Infotech Pvt. Ltd. [Note-(i)]	-	265.86
MSP Mines & Minerals Pvt. Ltd.	75.29	78.91
MSP Properties India Pvt. Ltd. [Note-(i)]	-	53.95
Howrah Gases Ltd.	1.25	1.25
Sidhsilver Infraproperties Pvt. Ltd. - Associate	250.00	237.14
Admirable Reallors Pvt Ltd	1.01	1.02
Procheta Consultants Pvt Ltd [Note-(ii)]	20.69	48.48
Khalupali Energy Ltd.	65.91	7.43
Jaik Leasing & Commercial Investments Ltd [Note-(i)]	1,487.62	61.07
Jagran Vyapaar Private Limited	305.40	113.95
Shree Vinay Finvest Pvt Ltd - (Debenture)	1,075.00	1,075.00
Shree Vinay Finvest Pvt Ltd	115.76	113.95

* As the future liability for gratuity and compensated encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

All decisions relating to the remuneration of the directors are taken by the board of directors of the Company under the recommendation of nomination and remuneration committee and, in accordance with shareholder approval, wherever necessary.

The purchase from related party are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

i) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 23.03.2023 Larigo Investment Pvt Ltd, MSP Properties (India) Limited, MSP Infotech Pvt. Ltd., MSP Rolling Mills (P) Ltd and Shreevadh Mercantile Pvt Ltd have been merged with Jaik Leasing and Commercial Investment Limited.

ii) Pursuant to the scheme of amalgamation as approved and sanctioned by Hon'ble NCLT, Kolkata bench vide order dated 24.01.2024 Anup Enclave Pvt. Ltd. B.S. Confin Pvt. Ltd, Emerald Tradelink Private Limited, High Time Holdings Private Limited, Rajnath Vyapaar Private Limited and Kanahiya Deal-Com Pvt. Ltd. have been merged with Procheta Consultants Pvt Ltd.

35 Loans and advances from related party

SI No	Name of the party	Terms of Repayment	Rate of Interest	As at 31 March 2024	As at 31 March 2023
1	M.A. Hire Purchase Private Limited	Repayable on demand	9%	-	30.00
2	Sampat Marketing Company Private Limited	Repayable on demand	9%	-	110.00
3	Shreevadh Mercantile Pvt Ltd	Repayable on demand	9%	-	50.00
4	Credence Vinimay Pvt Ltd	Repayable on demand	9%	-	150.00
5	Howrah Gases Ltd	Repayable on demand	9%	-	35.00

36 During the year ended March 31, 2024, the Company has entered into transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. The details of transactions are as follows:

SI No	Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed	Remarks
1	Penguin Conveyor Beltings Pvt Ltd	Purchase of Goods	836,831.00	Creditor	Struck off
2	Shining Activation (Opc) Pvt Ltd	Advance for Expenses	55,495.00	Creditor	Struck off

37 Details of Foreign Currency transaction

	As at 31 March 2024	As at 31 March 2023
CIF Value of Imported material (Store & Spares)	176.09	77.69
CIF Value of Imported material (Raw Material)	270.90	-
Subscription / Membership Fees	9.38	5.08

38 Contingent liability and contingent asset

Contingent liabilities comprise of :

	As at 31 March 2024	As at 31 March 2023
Excise & Service Tax Matters	12.69	219.67
Income Tax Matters	539.09	531.27
VAT & CST Matters	192.96	145.70
GST	179.69	-
Total	924.42	896.64
Others:		
Corporate Guarantees Given *	-	-
Bank Guarantees given by the banks on behalf of company**	138.14	134.01
Tata Steel Long Products Ltd.***	99.00	99.00
Letter of Credit ****	20.00	20.00
	257.14	253.01

* The Company has given corporate guarantee in 2015 on behalf of MSP Steel & Power Ltd to the extent of holding of equity shares in MSP Steel & Power Ltd and pledge with the lenders.

** The Bank has issued Bank Guarantees on behalf of the company. The company has provided these bank guarantees as security deposit. These guarantees are contingent upon non-performance of contractual obligations by the company. All Bank Guarantees issued by the bank against 100% margin.

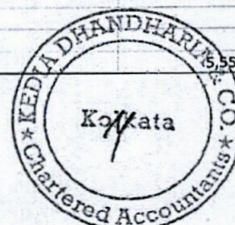
**** The Company has given letter of credit to F & CAO South Eastern Railway, Bilaspur. These LC was open for 100% margin against FD.

Capital Commitment

The capital commitment for the holding company amounts to ₹ 2610.17 lakhs with respect to purchase of Plant and Machinery for Captive Power Plant & 350 TPD DRI Klin

39 Notes forming part of the Consolidated Financial Statements

Name of the Entities in the Group	Net Assets (Total Assets minus Total Liabilities)		Share in Profit/ (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	Amount
MSP Sponge Iron Ltd.	99.08%	76,379.04	99.33%	1,459.41	100.00%	5,555.18	7,014.60
Subsidiaries							
Indoves Industrial Pvt. Ltd.	6.08%	4,686.53	0.49%	7.18			7.18
Non-Controlling Interest	1.62%	1,246.96	0.18%	2.60			2.60
Inter-Company Eliminations	-6.77%	(5,221.10)					
Grand Total	100.00%	77,091.43	100.00%	1,469.19		5,555.18	7,024.38



40 Summarised financial information of associates is as follows

Particulars	As at 31 March 2024	As at 31 March 2023
Carrying value of investment	-	-

Summary of Balance Sheet of associate

Particulars	As at 31 March 2024	As at 31 March 2023
Assets		
Non Current Assets	2,259.63	1,550.05
Current Assets	297.69	12.11
Liabilities		
Non Current Liabilities	1,723.41	839.55
Current Liabilities	176.66	32.99
Equity	657.24	689.63

Summary of Profit & Loss Statement of associate

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue	221.89	0.23
Net Profit/(Loss)	(32.39)	(27.83)
Other Comprehensive Income	-	1.43
Total Comprehensive Income	(32.39)	-26.39

Summary of cash flow Statement of associate

Particulars		
Cash flows from Operating activities (A)	(25.05)	25.86
Cash flows from Investing activities (B)	(746.51)	(1,003.83)
Cash Flow from Financing Activities (C)	844.79	975.63
Net Increase in Cash and Cash Equivalents (A+ B+ C)	73.23	(2.34)
Cash and Cash Equivalents at the beginning of the year	5.21	7.56
Cash and Cash Equivalents at the end of the year	78.44	5.21

Restatement of Prior Period Financials Due to Change in Depreciation Method by Associate Company:

During the year, our associate company, changed its depreciation method from Written down value to Straight line as part of a reassessment of the useful life of its assets. The change was applied retrospectively, leading to a restatement of its financial statements for prior periods in accordance with Ind AS 8 (Accounting Policies, Changes in Accounting Estimates and Errors).

As per Ind AS 28 (Investments in Associates and Joint Ventures), the Company's investment in the associate is accounted for using the equity method. Consequently, our share of the associate's profits has been recalculated based on the restated financials. This change has affected the prior period figures of the Company's consolidated financial statements.

Impact on Retained Earnings:

The restatement due to the associate's change in depreciation method has resulted in a retrospective adjustment to our consolidated retained earnings as of the beginning of the earliest period presented. The impact is as follows:

The opening balance of retained earnings (Loss) as of 31.03.2023 has been reduced by ₹ 5.76 lakhs to reflect the cumulative effect of the change in depreciation method by the Associate Company.

Impact on Consolidated Financial Statements:

The key financial statement items affected by this restatement are as follows:

Particulars	As previously reported on 31.03.2023	Adjustment	As restated on 31.03.2023
Retained earnings (opening balance)	-11.58	5.76	-5.82
Investment in Associate Company	238.42	5.76	244.18

41 Financial risk management

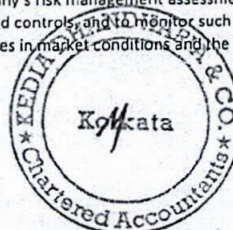
The Company has exposure to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Risk management framework

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company operations. The Company's principal financial assets include trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.



MSP SPONGE IRON LIMITED

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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

(i) Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group receivables from customers. Credit arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with bank. The Company has no significant concentration of credit risk with any counterparty. The carrying amount of financial assets represent the maximum credit risk exposure.

Trade receivable

The risk management committee 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 Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

Exposure to credit risks

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. Details of concentration percentage of revenue generated from top customer and top five customers are stated below :

Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	%	Amount	%	Amount
Revenue from top customer	13.29%	16,127.43	14.18%	15,922.94
Revenue from top five customers	26.67%	32,363.64	34.98%	39,273.88

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

31 March 2024	0-1 year	1-5 years	> 5 years	Total
Borrowings	1,061.02	-	-	1,061.02
Trade payables	3,554.59	-	-	3,554.59
Other financial liabilities	1,823.04	-	-	1,823.04

31 March 2023	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	4,185.62	-	-	4,185.62
Trade payables	3,221.00	-	-	3,221.00
Other financial liabilities	1,973.53	-	-	1,973.53

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value 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 and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, receivables, payables and borrowings.

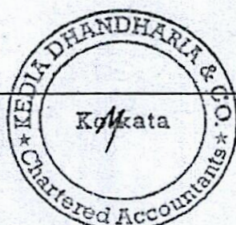
(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate is related primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31 March 2024	31 March 2023
Fixed rate instruments		
Financial assets	2,732.47	2,809.25
Financial liabilities	(1,061.02)	(4,185.62)
	1,671.44	(1,376.36)
Variable rate instruments		
Financial assets	-	-
Financial liabilities	-	-



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Notes to the Consolidated financial statements for the year ended 31st March 2024 (Continued)

(₹ in lakhs)

Sensitivity analysis

Fixed rate instruments that are carried at amortised cost are not subject to interest rate risk for the purpose of sensitive analysis.

Cash flow sensitivity analysis for variable rate Instruments

A reasonably possible change of 100 basis points in variable rate instruments at the reporting dates would have increased or decreased profit or loss by the amounts shown below:

Particulars	Profit or loss		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
Variable rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2023				
Variable rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

(b) Equity price risk

The Group is not exposed to equity risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

(c) Currency risk

The Group does not have currency risks since it is not exposed to any foreign currency transaction.

42 Capital management

The Group's management objective are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of carrying amount of equity including retained earnings as presented on the face of Balance Sheet. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. There is no change in the overall capital risk management strategy as compared to the last year.

Particulars		31 March 2024	31 March 2023
Total debt (Bank and other borrowings)	A	1,061.02	4,185.62
Total Equity	B	77,091.43	69,976.64
Liquid investments including bank deposits	C	1,557.47	1,634.25
Debt to Equity (A / B)		0.01	0.06
Debt to Equity (net) [(A-C) / B]		(0.01)	0.04

43 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the group meeting the applicable threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are in accordance to the CSR Policy of the Company which includes Rural Development Project, eradicating hunger, poverty and malnutrition, healthcare and sanitation, animal welfare, etc. A CSR committee has been formed by the Company as per the Act.

Particulars	As at 31 March 2024	As at 31 March 2023
Net Profits for the purpose of CSR - [Average Net Profits of Past 3 FY (D/3)]	12,257.39	11,110.44
(i) Amount required to be spent by the company during the year: (2% of Avg. Net Profits for the purpose of CSR Expenditure)	245.15	222.21
(ii) Amount of expenditure incurred		
a) During the Financial Year 2023-24	209.64	208.02
b) Set off from expenditure in previous financial years	64.36	14.19
(iii) Shortfall / (Excess) at the end of the year	(28.85)	(64.36)
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities		
a) Eradicating hunger, Water Supply, Healthcare,	59.85	18.86
b) Promoting Education	129.30	112.63
c) Animal Welfare	-	0.55
d) Social & Cultural Activities	-	-
e) Ensuring environment sustainability	5.51	1.92
f) Training to promote rural sports	-	3.64
g) Rural Infrastructural Development	14.97	70.42
Total	209.64	208.02

(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard

NA

NA

(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.

NA

NA



44 Additional regulatory information:

- i) The Group does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- iii) As at March 31, 2024, the register of charges of the Group as available in records of the Ministry of Corporate Affairs (MCA) includes charges that were created/modified since the inception of the Company. There are certain charges which are historic in nature and it involves practical challenges in obtaining no-objection certificates (NOCs) from the charge holders of such charges, despite repayment of the underlying loans. The Company is in the continuous process of filing the charge satisfaction e-form with MCA, within the timelines, as and when it receives NOCs from the respective charge holders.
- iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the current financial year.
- v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) 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
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- viii) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- x) The Group has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.
- xi) The Group did not raise any term loans or no new working capital borrowings have been sanctioned the current year. Accordingly, the Group does not have any charges to be filed or satisfaction which is yet to be registered with ROC beyond the statutory period.

45 Figures for the previous periods have been regrouped and reclassified to confirm to classification of the current period necessary.

46 Goodwill

The Increase in Goodwill from ₹ 31.92 lakhs as of March 31, 2023, to ₹ 122.34 lakhs as of March 31, 2024, was primarily attributed to additional acquisitions leading to a reduction in the company's level of control.

47 During the financial year 2023-24, the Group allotted a total of 10,74,885 fully paid-up equity shares of ₹10 each to the shareholders of the amalgamating company. These shares, previously disclosed as "Share Suspense" in the financial statements for the financial year 2022-23, have now been fully issued and allotted in accordance with the merger scheme.

As per the Scheme of Merger approved by the National Company Law Tribunal (NCLT), Kolkata

- i) The equity shareholders of Viconic Merchants Private Limited were allotted 21 (twenty-one) fully paid-up equity shares of ₹10 each in the transferee company for every 100 (one hundred) fully paid-up equity shares of ₹10 each held in Viconic Merchants Private Limited.
- ii) All carried forward losses of the Transferor company is being transferred to the Transferee company.

48 Compliance with audit trail for accounting software

The Group is using an ERP which is widely used internationally. The ERP software is having an audit trail feature for maintaining its books of account.



MSP SPONGE IRON LIMITED

CIN : 27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024

(` in lakhs)

49 Financial instruments and related disclosures**49.1 Fair value measurement**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchange in a current transaction between willing parties, other than in forced or liquidation sale.

The Company has established the following fair value hierarchy that categories the value into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: The hierarchy uses quoted (adjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing net asset value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

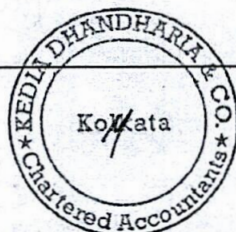
The management assessed that trade receivables, cash and cash equivalent, trade payable and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of there instruments.

49.2 Financial instruments by category

The following table shows fair values of financial assets and liabilities, including their levels in financial hierarchy, together with the carrying amounts shown in the statement of financial position.

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position as at 31 March 2024 are as follows:

Particulars	Note No.	Carrying amount	Fair value	
			Level 1	Level 3
A. Financial assets:				
a) Measured at amortised cost				
Trade receivables	9	5,647.96	-	-
Cash and cash equivalents	10	735.53	-	-
Other bank balances	11	1,557.47	-	-
Investments in government / trust securities	4A	1.90	-	-
Loans	5	9,550.56	-	-
Other Financial Assets	12	1,721.44	-	-
Non-trade investments in Equity instruments - in associate (Unquoted)	4A	235.47	-	-
Investments in Debentures	4A	1,175.00	-	-
b) Measured at fair value through profit or loss				
Trade investments in Equity instruments - in other (Quoted)	4A	1,239.92	1,239.92	-
c) Measured at fair value through OCI				
Non-trade investments in Equity instruments - in other (Unquoted)	4A	2,386.02	-	2,386.02
Non-trade investments in Equity instruments - in other (Quoted)	4A	7,626.61	7,626.61	-
Investments in Preference shares -in other (Unquoted)	4A	125.00	-	125.00
B. Financial liabilities:				
a) Measured at amortised cost				
Borrowings	17	1,061.02	-	-
Trade payables	19	3,554.59	-	-
Other financial liabilities	20	1,823.04	-	-



MSP SPONGE IRON LIMITED

CIN : 27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2024

(₹ in lakhs)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position as at 31 March 2023 are as follows:

Particulars	Note No.	Carrying amount	Fair value	
			Level 1	Level 3
A. Financial assets:				
a) Measured at amortised cost				
Trade receivables	9	4,420.60	-	-
Cash and cash equivalents	10	2,445.67	-	-
Other bank balances	11	1,634.25	-	-
Investments in government/ trust securities	4A	1.90	-	-
Loans	6	8,944.17	-	-
Other Financial Assets	12	1,670.87	-	-
Investments in Debentures	4A	1,175.00	-	-
Non-trade investments in Equity instruments - in associate (Unquoted)	4A	244.18	-	-
b) Measured at fair value through profit or loss				
Trade investments in Equity instruments - in other (Quoted)		517.29	517.29	-
c) Measured at fair value through OCI				
Trade investments in equity instruments - in other (Unquoted)	4A	1,687.75	-	1,687.75
Non-trade investments in equity instruments - in other (Quoted)	4A	2,008.22	2,008.22	-
Investments in preference shares - in other (Unquoted)	4A	125.00	-	125.00
B. Financial liabilities:				
a) Measured at amortised cost				
Borrowings	17	4,185.62	-	-
Trade payables	19	3,221.00	-	-
Other financial liabilities	20	1,973.53	-	-

Basis of presentation, measurement & material accounting policies

2

See accompanying notes to the Consolidated Financial Statements

3 to 49

As per our report of even date attached

For and on behalf of the Board

For KEDIA DHANDARIA & CO.

Chartered Accountants

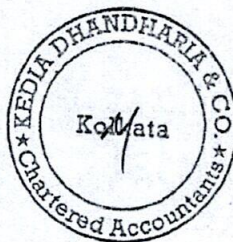
Firm Registration No.: 326659E

CA MANISH RAJ DHANDHARIA
Partner

Membership No: 062582

Kolkata, 2nd September, 2024

UDIN: 24062582BKETC1568



MANISH AGRAWAL
Managing Director
DIN: 00129240

SURESH KUMAR AGRAWAL
Director
DIN: 00587623

SUBHASH AGARWAL
(Chief Financial Officer)

VASUDHA AGARWAL
(Company Secretary)

MSP SPONGE IRON LIMITED

Vasudha Agarwal
(Company Secretary)