

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 4005 7700

REGN NO.: U27102WB1999PLC114830

ANNUAL REPORT

FOR THE YEAR ENDED 31ST MARCH 2025

AUDITORS

V. SINGHI & ASSOCIATES.

CHARTERED ACCOUNTANTS

Four Mangoe Lane, Surendra Mohan Gosh Sarani,

Ground Floor, Kolkata-700001

Phone: +91 33 2210 1125/26, Email: kolkata@vsinghi.com

MSP SPONGE IRON LIMITED
Vasudha Agarwal

Company Secretary

V SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF MSP SPONGE IRON LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **MSP SPONGE IRON LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year ended on that date, and Notes to the Standalone Financial Statement including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2025, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditors' Report thereon:

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report including Annexures to Directors' Report, Management Discussion and Analysis Report but does not include the Standalone Financial Statements and our Auditors' Report thereon.

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



MSP SPONGE IRON LIMITED
Vasudha Agrawal
Company Secretary

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In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of Auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternatives but to do so.

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

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Company Secretary



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obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of our examination of the books and records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, 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. A) As required by Section 143 (3) of the Act, we report that;
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of changes in equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.
 - (e) On the basis of the written representations received from the directors as on 1st April, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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 of the Company and the operating effectiveness of such controls, as required under Section 143 (3)(i) of the Act, refer to our separate report in "Annexure B".
 - (g) with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, the Company has complied with the provisions of Section 197 read with Schedule V to the Act, relating to managerial remuneration.
- B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements –Refer Note No.37 to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding



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Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. The company has not declared any dividend the year, so reporting under the clause for the compliance with section 123 of the companies Act, is not applicable

vi. Based on our examination, which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For V.SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E




(Vinod Kumar Singhi)
Partner

Membership No.- 050051

ICAI UDIN:-

25050051BMJ0QY1085

Place: Kolkata

Date: 27th August, 2025

MSP SPONGE IRON LIMITED

Company Secretary

V SINGHI & ASSOCIATES
CHARTERED ACCOUNTANTS

Annexure A to the Independent Auditors' Report

Referred to in Paragraph-1 on Other Legal and Regulatory Requirements of our Report of even date to the members of MSP Sponge Iron Limited on the Standalone Financial Statements for the year ended 31st March, 2025.

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment and Right-of-use assets.

B. The Company has maintained proper records showing full particulars of its Intangible Assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified by the management in a periodical manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Standalone Financial Statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including Right-of-use Assets) or Intangible Assets or both during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

- (ii) (a) According to the information and explanations given to us, physical verification of inventory except goods-in-transit and stocks lying with third parties has been conducted at reasonable intervals by the management during the year. In our opinion and to the best of our knowledge, the coverage and procedure of such verification by the management is appropriate and no discrepancies were noticed between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion monthly return or statements filed by the company with such banks are in agreement with the books of account of the Company.

MSP SPONGE IRON LIMITED
Vafudha Aganwal
Company Secretary



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- (iii) (a) During the year, the Company has made investments, granted Unsecured loans or stood guarantee during the year to the following entities:

(Rs.in Lakhs)

Particulars	Guarantees	Security	Loans
Aggregate amount granted/ Provided during the year			
Subsidiaries	-	-	-
Associates	-	-	-
Others	-	-	3050.05
Balance outstanding as at Balance Sheet date			
Subsidiaries	-	-	1,690.88
Associates	-	-	-
Others	*	-	12,473.91

**The Company had given corporate guarantee in the financial year 2014-15 on behalf of MSP Steel & Power Ltd to the extent of its entire holding of equity shares in MSP Steel & Power Ltd and pledged with the lenders of MSP Steel & Power Ltd.*

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided are prima facie, not prejudicial to the company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, in the case of loans given, the company has not stipulated any written schedule of repayment of principal and payment of interest as the loan is repayable on demand. Accordingly reporting under clause 3(iii) (c) of the order is not applicable

(d) According to the information and explanations given to us and on the basis of our examination, there is no amount overdue with respect to loans made, hence clause 3(iii)(d) not applicable.

(e) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.

(f) According to the information and explanations given to us and on the basis of our examination, the Company has granted loans, which are either repayable on demand or without specifying any terms or period of repayment and the details are as below:

(in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of Loans / advances in the nature of loans			
Repayable on Demand	14,164.79	-	1,690.88
Percentage of Loans/advances in the nature of total loans	100%	-	11.94%

- (iv) According to the information and explanations given to us and on the basis of our examination of the books and records, the Company has complied with the provisions as specified under Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.



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(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the cost records maintained by the company as specified by the Central Government under sub-section (1) of section 148 of the Companies Act and are of the opinion that, prima facie, such accounts and records have been made and maintained. We have not, however, made a detailed examination of the accounts and records maintained as aforesaid.

(vii) (a) In our opinion, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records, no undisputed amounts are payable in respect of statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the Company has not deposited the following dues on account of disputes with the appropriate authorities:

Name of Statute	Nature of Dues	Amount Involved (Rs. In Lakhs)	Unpaid Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
CST Act, 1956	CST Demand	24.43	21.98	2013-14 & 2014-15	Addl. Commissioner (Appeal), Cuttack
Odisha VAT Act, 2004	VAT Demand	73.75	59.89	2005-06	Odisha Sales Tax Tribunal, Cuttack
Odisha VAT Act, 2004	VAT Demand	24.28	16.38	2016-17	Addl. Commissioner (Appeal), Cuttack
CGST Act, 2017	Coal cess	239.88	209.78	2019-20 & 2020-21	Writ filed before High Court of Orissa, Cuttack
CGST Act, 2017	Coal cess	6.38	5.11	2021-22	Assistant Commissioner, CGST & CX, Keonjhar Division
Central Excise Act, 1944	Central Excise	4.95	4.95	2006-07 & 2007-08	High Court of Chhattisgarh
Income tax act 1961	Income tax	141.02	141.02	2010-11	Commissioner Of Income Tax (Appeal)
Income tax act 1961	Income tax	2.93	2.93	2011-12	Commissioner Of Income Tax (Appeal)
Income tax act 1961	Income tax	7.92	7.92	2012-13	Commissioner Of Income Tax (Appeal)
Income tax act 1961	Income tax	4.50	4.50	2013-14	Commissioner Of Income Tax (Appeal)
Income tax act 1961	Income tax	382.73	382.73	2019-20	Commissioner Of Income Tax (Appeal)
Income tax act 1961	Income tax	1.52	1.52	2023-24	Commissioner Of Income Tax (Appeal)



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- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 (43 of 1961) as income during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender
- (b) According to the information and explanations given to us, and based on our examination, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, term loans obtained were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been utilized for long term purposes.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Companies Act, 2013).
- (x) (a) According to the information and explanations given to us and based on our examination of the books and records, we report that the Company has not raised during the year any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the books and records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.



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CHARTERED ACCOUNTANTS

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the books and records, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, wherever applicable, and the details of the related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the Company issued for the year under audit.
- (xv) According to the information and explanations given to us and based on our examination of the books and records, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with them during the year. Accordingly, clause 3 (xv) of the Order is not applicable
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC as part of the Group. Accordingly, the requirements of clause 3(xvi)(d) are not applicable to the Company.
- (xvii) According to the information given to us and based on our examination of the books of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) During the year, M/s. KEDIA DHANDARIA & CO., Chartered Accountants, resigned as the Statutory Auditors of the Company. Subsequently, our firm was appointed as the new Statutory Auditors of the Company for the Financial Year 2024-2025 in accordance with the provisions of the Companies Act, 2013.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 41 to the standalone financial statements ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



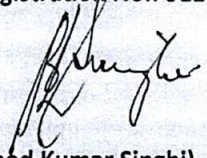
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(xx) (a) In our opinion and according to the information and explanations given to us, in respect to "other than ongoing projects", there are no unspent amounts that are required to be transferred to the Funds specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In our opinion and according to the information and explanations given to us, with respect to "ongoing projects", there are no unspent amounts that are required to be transferred to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

For V.SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E




(Vinod Kumar Singhi)
Partner

Membership No.-050051
ICAI UDIN:-

25050051BMJ00Y1085

Place: Kolkata

Date: 27th August, 2025

MSP SPONGE IRON LIMITED

Company Secretary

V SINGHI & ASSOCIATES

CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditors' Report

The Annexure B referred to in paragraph 3(g) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of MSP Sponge Iron Limited on the Standalone Financial Statements for the year ended 31st March, 2025.

Report on the Internal Financial Control over Financial Reporting under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("The Act").

We have audited the internal financial controls over financial reporting of MSP Sponge Iron Limited ("the Company") as of 31st March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

MSP SPONGE IRON LIMITED
Vasudha Agarwal
Company Secretary



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CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V.SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E



(Vinod Kumar Singhi)
Partner

Membership No.-050051

ICAI UDIN:-

25050051BMJ0QY1085

Place: Kolkata

Date: 27th August, 2025

MSP SPONGE IRON LIMITED
Vasudha
Company Secretary

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Standalone Balance Sheet as at 31st March 2025

(₹ in lakhs)

Particulars	Note	As at 31st March 2025	As at 31st March 2024
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3(A)	28,771.55	29,351.28
(b) Capital Work-in-Progress	3(C)	12,886.59	9,462.10
(c) Intangible Asset	3(B)	9.31	16.53
(d) Financial Assets			
(i) Investments	4(A)	13,692.05	15,516.74
(ii) Other Financial Assets	12(A)	1,202.05	1,263.12
(e) Other Non-Current Assets	7	286.34	760.83
Total Non-Current Assets		56,847.90	56,370.60
(2) Current Assets			
(a) Inventories	8	7,317.72	9,604.56
(b) Financial Assets			
(i) Investments	4(B)	1,260.89	1,239.92
(ii) Trade Receivables	9	3,669.84	4,075.83
(iii) Cash and Cash Equivalents	10	204.50	517.81
(iv) Bank balances other than (iii) above	11	658.43	1,555.87
(v) Loans	5	14,164.79	11,114.74
(vi) Other Financial Assets	12(B)	593.12	727.57
(c) Current Tax Assets (Net)	14	41.59	-
(d) Other Current Assets	13	2,442.25	3,834.44
Total Current Assets		30,353.14	32,670.75
TOTAL ASSETS		87,201.04	89,041.34
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	3,323.00	3,323.00
(b) Other Equity	16	71,509.99	73,056.04
Total Equity		74,832.99	76,379.04
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	42	8.80	-
(b) Provisions	18(B)	175.85	129.48
(c) Deferred Tax Liabilities (net)	6	4,642.27	4,938.51
Total Non-Current Liabilities		4,826.92	5,067.98
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	3,060.06	1,002.69
(ii) Lease Liabilities	42	2.69	-
(iii) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	19	236.78	230.20
(b) Total outstanding dues of creditors other than micro and small enterprises	19	1,150.23	2,325.23
(iv) Other Financial Liabilities	20	2,333.30	2,370.51
(b) Other Current Liabilities	21	700.17	1,547.52
(c) Provisions	18(A)	57.89	43.44
(d) Current Tax Liabilities (Net)	22	-	74.72
Total Current Liabilities		7,541.13	7,594.32
TOTAL EQUITY AND LIABILITIES		87,201.04	89,041.34

Material Accounting Policies

2

See accompanying notes to the Financial Statements

1 to 46

As per our report of even date attached

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 311017E

CA VINOD KUMAR SINGHI

Partner

Membership No: 050051

Date: 27th August, 2025

Place: Kolkata



M.A. J.

MANISH AGRAWAL
Managing Director
DIN: 00129240

For and on behalf of the Board

Suresh Kumar Aggarwal

SURESH KUMAR AGRAWAL
Director
DIN: 00587623



Subhash Aggarwal

SUBHASH AGRAWAL
(Chief Financial Officer)

Vasudha Aggarwal

VASUDHA AGRAWAL
(Company Secretary)

MSP SPONGE IRON LIMITED

Vasudha Aggarwal

Company Secretary

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Standalone Profit and Loss Statement for the year ended 31st March 2025

(₹ in lakhs)

Particulars	Note	Year ended 31st March 2025	Year ended 31st March 2024
I Revenue from operations	23	95,931.33	97,235.33
II Other income	24	2,200.27	2,143.10
III Total income (I + II)		<u>98,131.60</u>	<u>99,378.43</u>
IV Expenses			
Cost of Materials Consumed	25	70,511.61	73,617.63
Purchases of Stock-in-Trade		13.90	-
Changes in inventories of finished goods, Stock in trade and work in-progress	26	3,234.08	97.10
Employee Benefits Expense	27	3,497.49	3,285.21
Finance Costs	28	247.47	64.09
Depreciation and Amortisation Expense	29	1,800.21	1,818.54
Other Expenses	30	18,596.76	18,950.14
Total Expenses (IV)		<u>97,901.54</u>	<u>97,832.72</u>
V Profit before exceptional items and tax (III-IV)		<u>230.06</u>	<u>1,545.71</u>
VI Exceptional items		-	-
VII Profit before exceptional items and tax (V-VI)		<u>230.06</u>	<u>1,545.71</u>
VIII Tax expense:	31		
(1) Current tax relating to:			
(i) Current year		210.55	315.54
(ii) Earlier year		(14.64)	3.32
(2) Deferred tax		(46.00)	(365.55)
		<u>149.91</u>	<u>(46.68)</u>
IX Profit for the year (VII-VII)		<u>80.15</u>	<u>1,592.39</u>
Other comprehensive income (net of tax)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of defined benefit liability/ (asset)		(51.75)	24.19
(b) Equity instruments through other comprehensive income		(1,824.68)	6,316.67
(ii) Income taxes relating to items that will not be reclassified to profit or loss		250.24	(785.67)
Net other comprehensive income not to be reclassified subsequently to profit or loss		<u>(1,626.20)</u>	<u>5,555.18</u>
B. Items that will be reclassified to profit or loss		-	-
Net other comprehensive income to be reclassified subsequently to profit or loss		<u>-</u>	<u>-</u>
X Other comprehensive income		<u>(1,626.20)</u>	<u>5,555.18</u>
XI Total comprehensive income for the year (IX + X)		<u>(1,546.05)</u>	<u>7,147.58</u>
XII Earnings per equity share	32		
[Face value of equity share Rs. 10 each (previous year Rs. 10 each)]			
- Basic		0.24	4.79
- Diluted		0.24	4.79

Material Accounting Policies

2

See accompanying notes to the Financial Statements

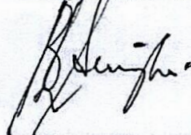
1 to 46

As per our report of even date attached

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 311017E


VINOD KUMAR SINGHI
Partner

Membership No: 050051

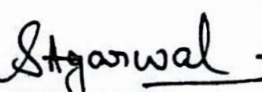


Date: 27th August, 2025

Place: Kolkata

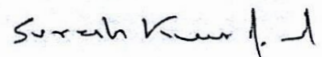
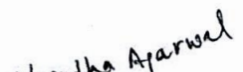


MANISH AGRAWAL
Managing Director
DIN: 00129240



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

Standalone Statement of changes of equity for the year ended 31st March 2025

(₹ in lakhs)

A. Equity share capital

Particulars	Number	Amount
Balance as at 1st April 2023	332,29,976	3,323.00
Changes in equity share capital during 2023-24	-	-
Balance as at 31st March 2024	332,29,976	3,323.00
Balance as at 1st April 2024	332,29,976	3,323.00
Changes in equity share capital during 2024-25	-	-
Balance as at 31st March 2025	332,29,976	3,323.00

B. Other equity

Particulars	Reserves and surplus				Items of Other Comprehensive Income (OCI)	Total Equity
	Capital reserve	General reserve	Share Premium	Retained earnings	Equity Instruments through other comprehensive income	
Balance as at 1st April 2023	40,224.57	3,622.04	21,206.74	2,333.17	(1,478.07)	65,908.47
Profit or Loss				1,592.39	-	1,592.39
Remeasurement of Defined Benefits gain / (loss) - net of tax - Other Comprehensive Income					8.55	8.55
Remeasurement of Defined Benefits gain / (loss) transferred from Other Comprehensive Income				8.55	(8.55)	-
Fair value of Equity Instrument through FVOCI				-	5,546.63	5,546.63
Total comprehensive income for the year	40,224.57	3,622.04	21,206.74	3,934.12	4,068.56	73,056.04
Dividend	-	-	-	-	-	-
Income tax on dividend paid	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-
Balance as at 31st March 2024	40,224.57	3,622.04	21,206.74	3,934.12	4,068.56	73,056.04
Balance as at 1st April 2024	40,224.57	3,622.04	21,206.74	3,934.12	4,068.56	73,056.04
Profit or Loss	-	-	-	80.15	-	80.15
Remeasurement of Defined Benefits gain / (loss) - net of tax - Other Comprehensive Income	-	-	-	-	(38.73)	(38.73)
Remeasurement of Defined Benefits gain / (loss) transferred from Other Comprehensive Income	-	-	-	(38.73)	38.73	-
Fair value of Equity Instrument through FVOCI	-	-	-	-	(1,587.47)	(1,587.47)
Total comprehensive income	-	-	-	41.43	(1,587.47)	(1,546.05)
Dividend	-	-	-	-	-	-
Income tax on dividend paid	-	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-	-
Balance as at 31st March 2025	40,224.57	3,622.04	21,206.74	3,975.54	2,481.09	71,509.99

Material Accounting Policies

See accompanying notes to the Financial Statements

2

1 to 46

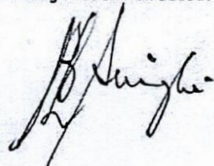
As per our report of even date attached

For and on behalf of the Board

For V. SINGHI & ASSOCIATES

Chartered Accountants

Firm Registration No.: 311017E



CA VINOD KUMAR SINGHI

Partner

Membership No: 050051

Date: 27th August, 2025

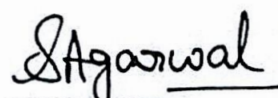
Place: Kolkata



MANISH AGRAWAL

Managing Director

DIN: 00129240



SUBHASH AGARWAL

(Chief Financial Officer)

MSP SPONGE IRON LIMITED

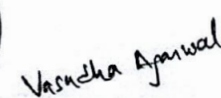


Company Secretary

SURESH KUMAR AGRAWAL

Director

DIN: 00587623

VASUDHA AGARWAL

(Company Secretary)

MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Standalone Cash Flow Statement for the year ended 31st March 2025

(₹ in lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (loss) Before Tax	230.06	1,545.71
Adjustment for :-		
Depreciation and amortisation expense	1,800.21	1,818.54
Net (gain)/ loss arising on investments measured at fair value through profit and loss	(37.40)	(729.75)
Interest received	(1,786.06)	(1,076.43)
Dividend income	(10.63)	(10.01)
(Profit) /loss on sale of shares	(60.00)	15.71
Finance costs	237.59	61.47
Provision for Gratuity & Leave encashment	68.10	68.54
Provision for Doubtful Debt	85.19	4.30
Unrealised foreign exchange loss (gain)	6.03	7.79
(Profit) /loss on sale of Property, Plant & Equipment	-	(289.89)
Operating profit before working capital changes	303.02	(129.72)
(Increase)/ Decrease in Trade Receivables	320.80	(1,075.02)
(Increase)/ Decrease in Loans	(3,050.05)	(446.15)
(Increase)/ Decrease in Inventories	2,286.84	3,563.37
(Increase)/ Decrease in other financial and non-financial assets	2,062.20	5,337.72
Increase/ (Decrease) in trade payables, other financial liabilities, other current liabilities	(2,166.61)	(2,935.13)
Cash generated from operations	(546.83)	4,444.79
Income taxes paid (net of refund)	(13.75)	5,860.77
Net cash inflow from operating activities	(252.15)	(280.42)
	(265.89)	5,580.35
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment including CWIP	(4,637.76)	(4,746.20)
Proceeds from sale of property, plant and Equipment	-	336.13
Purchase of Shares	(63.26)	(1,842.72)
Proceeds from sale of shares	139.69	84.14
Changes in other Bank Balances	897.44	76.96
Interest received	1,786.06	1,076.43
Dividend income	10.63	(5,005.25)
Net cash inflow/ (outflow) from investing activities	(1,867.19)	(5,005.25)
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(237.59)	(61.47)
Long term borrowings Received / (paid) (net)	-	(2,310.00)
Short term borrowings Received / (paid) (net)	2,057.37	242.62
Net cash inflow/ (outflow) from financing activities	1,819.78	(2,128.85)
Net increase in cash & cash equivalents	(313.31)	(1,553.75)
Cash & Cash equivalents at beginning of the year	517.81	2,071.56
Cash & Cash equivalents at closing year ended 31.03.2025	204.50	517.81
Note:		
Balances with banks		
- In current accounts	185.82	472.64
- In embarked current accounts*	1.60	1.60
Cash on hand	17.07	43.57
Cash & Cash equivalents at closing year ended 31.03.2025	204.50	517.81

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

Material Accounting Policies

See accompanying notes to the Financial Statements

2
1 to 46

As per our report of even date attached

For and on behalf of the Board

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E

CA VINOD KUMAR SINGHI
Partner
Membership No: 050051

MANISH AGRAWAL
Managing Director
DIN: 00129240

Subhash Agarwal
(Chief Financial Officer)

SURESH KUMAR AGRAWAL
Director
DIN: 00587623

Vasudha Agarwal
VASUDHA AGARWAL
(Company Secretary)

Date: 27th August, 2025
Place: Kolkata

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 2025 (Continued)

1. COMPANY INFORMATION

MSP Sponge Iron Limited (the "Company") CIN - (U27102WB1999PLC114830) 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 Anandapur Road, E.M. Bypass, Kolkata 700107 and its manufacturing facilities are located at Keonjhar, Odisha & Raigarh, Chhatishgarh. The Company is engaged in the manufacture and sale of Iron and Steel, Ferro Alloys products and Captive Power Generation.

The financial statements for the year ended March 31, 2025 were approved by the Board of Directors and authorised for issue on August 27, 2025.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation and Measurement

a) Basis of preparation & Statement of Compliance

These financial statements are prepared in accordance with the provisions of the Companies Act, 2013 ('Act') and Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values at the end of each reporting year. The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant Provisions of the Act and other accounting principles generally accepted in India. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

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

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "financial statements")

b) Functional and presentation currency

The standalone financial statements are presented in Indian National Rupee (INR), the functional currency of the Company and all values are rounded to the nearest lakh (upto two decimal) except when otherwise stated.

c) Basis of measurement

The financial statements have been prepared on historical cost convention on the accrual basis, except for the following items:

- (i) Certain financial assets and financial liabilities measured at fair value (Refer Note 4 of the Balance sheet);
- (ii) Employee's defined benefit plan as per actuarial valuation.

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if



MSP SPONGE IRON LIMITED

CIN : U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2025 (Continued)

market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company'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.

A liability is treated as current when

- i) It is expected to be settled in normal operating cycle;
- ii) It is due to be settled within twelve months after the reporting period; or
- iii) 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 Company 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.

e) Use of judgements and estimates

In preparing these financial statements, management requires to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Critical accounting judgements and key sources of estimation uncertainty:

Key assumptions-

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

The Company 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



MSP SPONGE IRON LIMITED

CIN : U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2025 (Continued)

and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(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) Provisions and contingent Liabilities:

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.

e) Measurement of fair values

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

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



MSP SPONGE IRON LIMITED

CIN : U27102WB1999PLC114830

Notes to the Consolidated financial statements for the year ended 31st March 2025 (Continued)

f) Impairment:

The Company'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 Company estimates the recoverable amount of the CGU to which the asset belongs.

g) Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company 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 Other material accounting policies

a) 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. All financial assets are recognised initially at fair value plus, in the case of Associates



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Notes to the Consolidated financial statements for the year ended 31st March 2025 (Continued)

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.

Investment in Subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount, being the higher of value in use or fair value less costs to sell. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

i) Financial Assets

Cash & Bank balances

Cash and bank balance consist of:

a) 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.

b) Other bank balances

Other bank balances include balances and fixed deposits with banks that are restricted for withdrawal and usage.

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 Company 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.



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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 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 Company has elected to present the value changes in "Other Comprehensive Income".

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 Company 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.

Dividend Income

Dividend income from investments is recognised in the statement of profit or loss when the right to receive payment has been established which is generally when shareholders approve the dividend.

Derecognition

The Company 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 derecognition under Ind AS 109.

Impairment of Financial assets

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

For financial assets other than trade receivables, as per Ind AS 109, the Company 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 Company's trade receivables do not contain significant financing component and loss



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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.

The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction.

ii. Financial liability and equity instruments

Classification as debt or equity

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

Equity Instruments

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

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.

Derecognition

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



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iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently 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.

b) Property, Plant and Equipment (PPE)

i. Recognition and measurement

Items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any except freehold land which are carried at historical cost. 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'.

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 Company 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 Company. Ongoing repairs and maintenance are expensed as incurred.

iv. Disposal of Property Plant & Equipment

A PPE is derecognised on disposal or when no further benefit is expected from its use and disposal. Gains or losses arising from discard/sale of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is discarded / sold.

v. 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.

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



c) Impairment

i. Impairment of non-financial assets

The Company'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 Company 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.

d) 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. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Cost of inventories is based on First in first out (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.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

e) 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 Company makes specified monthly contributions towards Provident Fund. The Company'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.



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Notes to the Consolidated financial statements for the year ended 31st March 2025 (Continued)

iii) Defined benefit plans

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Remeasurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) are recognised as an expense within employee costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations as reduced by the fair value of plan assets.

Gratuity:

The Company pays gratuity to the employees whoever has completed five years of service with the Company 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.

f) 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 Company 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.

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



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g) Revenue Recognition

a. Sale of Goods

The Company 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 Company expects to be entitled in exchange for those goods or services.

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

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 Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company 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 Company accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and Services in the arrangement, based on their 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 Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

ii) 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 Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer.



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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 Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

h) 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.

i) 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.

j) 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.

k) Segment reporting

The Company 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.

l) 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.

m) Business Combination

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company's financial statements in which they appeared in the financial statements of the transferor company.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period in the financial statements if the business combination date is prior to that date. However, if business combination date is after that date, the financial information in the financial statements is restated from the date of business combination.

The gain/loss net of tax on transfer of business within common control entities is recognised in the statement of profit and loss account by the transferor entity.

n) Recent accounting pronouncements

As on 31 March 2025, there are no new standards or amendments to the existing standards applicable to the Company which has been notified by Ministry of Corporate Affairs.

o) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.



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Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss. Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the remeasurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the remeasurement in the statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur. Payment made towards leases for which non-cancellable term is 12 months or lesser (short-term leases) and low value leases are recognised in the statement of Profit and Loss as rental expenses over the tenor of such leases.

The Company as lessor

(i) Operating lease – Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

(ii) Finance lease – When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return. Such rate is the interest rate which is implicit in the lease contract.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

3(A) Property, plant and equipment

Particulars	Land	Buildings	Plant and Equipment	Furniture & Fixtures	Vehicles	Office equipment	Right of Use Assets (ROU)*	Total
Cost or deemed cost (Gross Carrying Amount)								
Balance as at 1st April 2023	763.52	10,124.30	32,468.84	38.62	103.46	102.51	-	43,601.25
Additions	2.63		174.41	0.60		9.27		186.90
Disposals/ Discard	20.67		37.96					58.63
Balance as at 31st March 2024	745.48	10,124.30	32,605.29	39.22	103.46	111.77	-	43,729.53
Balance as at 1st April 2024	745.48	10,124.30	32,605.29	39.22	103.46	111.77	-	43,729.53
Additions / Adjustments	(412.18)		1,269.17	0.86	82.02	4.63	422.30	1,366.81
Disposals/ Discard								-
Balance as at 31st March 2025	333.30	10,124.30	33,874.46	40.08	185.48	116.40	422.30	45,096.33
Accumulated depreciation / amortization								
Balance as at 1st April 2023	-	2,454.08	10,001.72	20.40	44.91	57.91	-	12,579.03
Depreciation / amortization for the year		357.71	1,426.49	3.06	9.95	14.40	-	1,811.61
Adjustments/ Disposals	-		12.39					12.39
Balance as at 31st March 2024	-	2,811.79	11,415.83	23.46	54.85	72.31	-	14,378.25
Balance as at 1st April 2024	-	2,811.79	11,415.83	23.46	54.85	72.31	-	14,378.25
Depreciation / amortization for the year		357.00	1,405.74	2.16	9.82	12.67	5.61	1,792.99
Disposals / Adjustments			71.51		82.02			153.54
Balance as at 31st March 2025	-	3,168.79	12,893.08	25.62	146.69	84.98	5.61	16,324.78
Net Carrying Amount								
As at 31st March 2024	745.48	7,312.51	21,189.46	15.76	48.60	39.46	-	29,351.28
As at 31st March 2025	333.30	6,955.51	20,981.38	14.46	38.79	31.42	416.69	28,771.55

* ROU Assets Recognition - Refer Note -42

3(B) Intangible assets

Computer Software	Total
Cost or deemed cost (Gross Carrying Amount)	
Balance as at 1st April 2023	29.34
Additions	11.10
Disposals/ Discard	-
Balance as at 31st March 2024	40.44
Balance as at 1st April 2024	40.44
Additions	-
Disposals/ Discard	-
Balance as at 31st March 2025	40.44
Accumulated Amortization	
Balance as at 1st April 2023	16.96
Amortisation for the year	6.94
Adjustments/ Disposals	-
Balance as at 31st March 2024	23.90
Balance as at 1st April 2024	23.90
Amortisation for the year	7.22
Adjustments/ Disposals	-
Balance as at 31st March 2025	31.12
Net Carrying Amount	
As at 31st March 2024	16.53
As at 31st March 2025	9.31

(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.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

3(C) Capital work-in-progress (CWIP)

Particulars	Total
Balance at 1st April 2023	4,913.91
Additions	4,548.19
Disposals/ Discard / Capitalised	
Balance at 31st March 2024	9,462.10
Balance at 1st April 2024	9,462.10
Additions	3,424.49
Disposals/ Discard / Capitalised	
Balance at 31st March 2025	12,886.59

Ageing of Capital work-in-progress (CWIP)

As at 31 March 2025

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	3,424.49	4,548.19	4,444.69	469.22	12,886.59
Projects temporarily suspended	-	-	-	-	-

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	4,548.19	4,444.69	469.22	-	9,462.10
Projects temporarily suspended	-	-	-	-	-

Note: There is no overrun of or delayed project for the year ended 31st March, 2025 and 31st March, 2024



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

4 Investments

4(A) Non-current Investments

(a) Investments in equity instruments

(i) Investments in Subsidiaries (at cost)

Non-trade investments (Unquoted)

Indoves Industrial Private Limited 39,50,000 (31st March 2024: 39,50,000) Equity Shares of Rs. 100/- each fully paid, (Percentage of Holding 73.39%)

As at 31st March 2025	As at 31st March 2024
3,950.00	3,950.00
3,950.00	3,950.00

(ii) In Associate (at cost)

Sidhsilver Infraproperties Pvt. Ltd 25,00,000 (31st March 2023: 25,00,000) Equity Shares of Rs. 10/- each fully paid **

-	250.00
-	250.00

(b) Investments in equity shares of other companies

(i) Non trade investments (Quoted) - (at fair value through Other Comprehensive Income)

GTL Infrastructure Limited, 206 (31st March 2024: 206) Equity Shares of Rs.10/- each fully paid

0.00 0.00

GTL Limited, 100 (31st March 2024: 100) Equity Shares of Rs.10/- each fully paid

0.01 0.01

Howrah Gases Limited, 7,833 (31st March 2024: 7,833) Equity Shares Rs.10/- each fully paid

1.25 1.25

Infosys Technologies Limited, 3200 (31st March 2024: 3200) Equity Shares of Rs.5/- each fully paid

50.26 47.94

Mahanagar Telephone Nigam Limited, 200 (31st March 2024: 200) Equity Shares of Rs.10/- each fully paid

0.09 0.07

Mohan Finance Limited, 400 (31st March 2024: 400) Equity Shares of Rs.10/- each fully paid

0.07 0.07

MSP Steel and Power Limited, 2,47,36,500 (31st March 2024: 2,47,36,500) Equity Shares of Rs.10/- each fully paid *

6,755.54 7,569.37

Multiplus Resources Limited, 6,700 (31st March 2024: 6,700) Equity Shares of Rs.10/- each fully paid

0.10 0.10

Nageswar Investment Limited, 11,000 (31st March 2024: 11,000) Equity Shares of Rs.1/- each fully paid

4.40 4.40

Dish Tv India Limited, 57 (31st March 2024: 57) Equity Shares of Rs.10/- each fully paid

0.00 0.01

Zee Learn Limited, 27 (31st March 2024: 27) Equity Shares of Rs.10/- each fully paid

0.00 0.00

P.K. Leasing and Finance Limited, 35,000 (31st March 2024: 35,000) Equity Shares of Rs.10/- each fully paid

1.05 1.05

Uco Bank Limited, 3,900 (31st March 2024: 3,900) Equity Shares of Rs.10/- each fully paid

1.39 2.04

SITI Network Limited (Wire & Wireless (India) Limited), 50 (31st March 2024: 50) Equity Shares of Rs.1/- each fully paid

0.00 0.00

Zee Entertainment Enterprises Limited, 218 (31st March 2024: 218) Equity Shares of Rs.1/- each fully paid

0.21 0.30

Zee Media Corporation Limited (Zee News Limited), 45 (31st March 2024: 45) Equity Shares of Rs.1/- each fully paid

0.01 0.00

Diligent Media Corporation Limited, 11 (31st March 2024: 11) Equity Shares of Rs.10/- each fully paid

0.00 0.00

6,814.39 7,626.61

(ii) Non trade investments (Unquoted) - (at fair value through Other Comprehensive Income)

MSP Mines & Minerals Pvt Limited, 42,000 (31st March 2024: 42,000) Equity Shares of Rs.10/- each fully paid

78.30 75.29

Keonjhar Infrastructure Development Co. Limited, 7,200 (31st March 2024: 7,200) Equity Shares of Rs.10/- each fully paid

0.94 0.96

Doyang Wood Products Limited, 5,00,000 (31st March 2024: 5,00,000) Equity Shares of Rs.10/- each fully paid

32.80 40.70

M.A. Hire Purchase Private Limited 1,59,074 (31st March 2024: 1,59,074) Equity Shares of Rs.10/- each fully paid

156.77 151.09

Admirable Realtors Pvt Limited, 1,134 (31st March 2024: 1,134) Equity Shares of Rs.10/- each fully paid

1.09 1.01

Dexo Trading Pvt Limited, 3,000 (31st March 2024: 3,000) Equity Shares of Rs.10/- each fully paid

5.06 9.32

Rama Alloys Pvt Ltd (Digvijay Tracon Pvt Limited), 34,600 (31st March 2024: 34,600) Equity Shares of Rs.10/- each fully paid

36.06 39.19



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Khatupati Energy Limited, 90,000 (31st March 2024: 90,000) Equity Shares of Rs.10/- each fully paid	60.70	65.91
Pabitra Enclave Pvt Limited, 5,200 (31st March 2024: 5,200) Equity Shares of Rs.10/- each fully paid	-	0.78
Ravi Business Services Pvt Limited, 4,696 (31st March 2024: 4,696) Equity Shares of Rs.100/- each fully paid	69.43	64.63
Shree Vinay Finvest Private Limited, 72,176 (31st March 2024: 72,176) Equity Shares of Rs.10/- each fully paid	131.24	115.76
Sikhar Commotrade Pvt Limited, 3,800 (31st March 2024: 3,800) Equity Shares of Rs.10/- each fully paid	5.48	7.68
Procheta Consultants Pvt. Ltd, 22,000 (31st March 2024: 22,000) Equity Shares of Rs.10/- each fully paid	12.00	20.69
Jaik Leasing & Commercial Investments Ltd, 7,26,483 (31st March 2024: 7,26,483) Equity Shares of Rs.10/- each fully paid	552.56	1,487.62
Sidhsilver Infraproperties Pvt. Ltd 25,00,000 (31st March 2024: 25,00,000) Equity Shares of Rs. 10/- each fully paid,	171.75	-
Jagran Vyapaar Pvt Limited, 2,55,289 (31st March 2024: 2,55,289) Equity Shares of Rs.10/- each fully paid	309.38	305.40
	1,623.57	2,386.02
	5,573.57	6,586.02
(c) Investment in preference shares		
Non-trade investment (Unquoted) - at amortised cost		
Keonjhar Infrastructure Development Co. Limited, 12,50,000 (31st March 2024: 12,50,000) Preference Shares of Rs.10/- each fully paid	125.00	125.00
	125.00	125.00
(d) Long term Investments in 0.01% Optionally Fully Convertible Debentures		
Non-trade investment (Unquoted) - at Amortised cost		
Dexo Trading Private Limited,, 1,00,000 (31st March 2024: 1,00,000) Debentures of Rs.100/- each fully paid	100.00	100.00
Shree Vinay Finvest Pvt Ltd, 10,75,000 (31st March 2024 10,75,000) Debentures of Rs.100/- each fully paid	1,075.00	1,075.00
	1,175.00	1,175.00
(e) Investment in government securities		
NSC***	4.10	4.10
	4.10	4.10
	13,692.05	15,516.74
Other Non Current Investments		
***NSC is pledged with the State Mining Department against Mining Licences.		
Aggregate amount of Quoted Investments (Non-Current) - at Cost	4,995.65	4,995.65
Aggregate amount of the Quoted Investments (Non-Current) - at Market value	6,814.39	7,626.61
Aggregate carrying value of unquoted Investments (Non-Current)	6,877.67	7,890.12
** During the year the company Sidhsilver Infraproperties Pvt. Ltd. has issued equity shares by private placement due to which our percentage of shareholding has been reduced from 26.90% to 16.35%. Hence, the company is no longer associate of our company.		
Disclosure as required by section 186(4) of the Companies Act, 2013		
* The Company had given corporate guarantee in the financial year 2014-15 on behalf of MSP Steel & Power Ltd to the extent of the entire holding of equity shares in MSP Steel & Power Ltd and pledged with the lenders of MSP Steel & Power Ltd.		
4(B) Current Investments		
Investments in equity instruments		
Trade investments (Quoted) - In others (at fair value through Profit and Loss)		
Poonawalla Fincorp Ltd: Nil (31st March 2024: 3,200) Equity Shares of Rs.2/- each fully paid	-	14.90
Godawari Power And Ispat Limited: 21,850 (31st March 2024: Nil) Equity Shares of Rs.1/- each fully paid	39.36	-
Vedanta Limited 1,185 (31st March 2024: Nil) Equity Shares of Rs. 1/- each fully paid	5.49	-
Radico Khaitan Limited: Nil (31st March 2024: 4,400) Equity Shares of Rs. 2/- each fully paid	-	76.02
Tips Music Limited (Tips Industries Limited): 1,27,450 (31st March 2024: 1,29,080) Equity Shares of Rs. 1/- each fully paid	805.80	594.61
TAJGVK Hotels & Resorts Limited 825 (31st March 2024: Nil) Equity Shares of Rs. 2/- each fully paid)	3.94	-
Annapurna Swadist Limited 1,41,000 (31st March 2024: 1,41,000) Equity Shares of Rs. 10/- each fully paid)	393.60	538.62
Apeejay Surrendra Park 870 (31st March 2024: Nil) Equity Shares of Rs. 1/- each fully paid)	1.27	-



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Tips Films Limited. 2,339 (31st March 2024: 2,339) Equity Shares of Rs. 10/- each fully paid)	11.42	15.77
	1,260.89	1,239.92
Aggregate amount of Quoted Investments (Current) - at Cost	370.05	386.48
Aggregate amount of the Quoted Investments (Current) - at Market value	1,260.89	1,239.92

	As at 31st March 2025	As at 31st March 2024
5 Loans		
Current		
(Unsecured, considered good)		
Repayable on demand		
Loans to related parties	1,690.88	1,574.73
Others		
- Loans to body corporates	12,473.91	9,540.01
Total	14,164.79	11,114.74

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

Particulars	Purpose	As at 31st March 2025	As at 31st March 2024
Related Parties			
Indoves Industrial Pvt. Ltd	For Business Purpose	1,690.88	1,564.18
Jaik Leasing & Commercial Investments Limited	For Business Purpose	-	10.55
Others			
Loans to body corporates	For Business Purpose	12,473.91	9,540.01

(b) Loans which are payable on demand granted to promoters, directors, KMPs and 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 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Promoters		-	-	-	-
Directors		-	-	-	-
KMPs		-	-	-	-
Related Parties					
Indoves Industrial Pvt. Ltd	Payable on demand	1,690.88	1,564.18	11.94%	14.07%
Jaik Leasing & Commercial Investments Limited	Payable on demand	-	10.55	-	0.09%

6 Deferred tax liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at 31st March 2025	As at 31st March 2024
Deferred Tax Liability	4,860.72	5,221.88
Deferred Tax Asset	218.45	283.38
Net Deferred Tax Liability	4,642.27	4,938.51
Components of Deferred Tax Asset and Liability:		
Deferred Tax Liability:		
Depreciation and Amortization expenses	4,809.95	4,920.88
Fair Value gain on Investment	57.71	294.92
Expenditure covered by section 43B of I.T. Act, 1961	-	-
Employee Deferred Benefit Expenses	(6.94)	6.09
Others	-	-
Total	4,860.72	5,221.88
Deferred Tax Asset:		
Expenditure covered by section 43B of I.T. Act, 1961	58.83	43.52
Deferred Income	4.86	76.32
Others	154.76	163.54
Total	218.45	283.38

7 Other non-current assets

	As at 31st March 2025	As at 31st March 2024
(Unsecured, considered good)		
Advances for Capital Expenditure	286.34	760.83
Total	286.34	760.83

8 Inventories

	As at 31st March 2025	As at 31st March 2024
Raw materials [Includes Material-in-transit Rs.114.60 (P.Y Rs.254.53) lakhs]	4,115.40	3,247.97
Finished goods	614.71	4,046.86
Work-in-Progress	204.02	9.56
Stores and spares [Includes Material-in-transit Rs.98.53 (P.Y Rs.80.27) lakhs]	2,383.58	2,300.17
Total	7,317.72	9,604.56

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



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

9 Trade receivables

	As at 31st March 2025	As at 31st March 2024
Trade receivables (considered good - unsecured)*	3,759.34	4,080.14
Trade receivables which have significant increase in credit risk		
Less: Loss allowances	(89.49)	(4.30)
Total	3,669.84	4,075.83
* Trade Receivables includes Dues from companies including enterprises over which key management personnel / shareholders / relatives have significant influence	2,638.46	2,889.47

9.1 The ageing of trade receivable is as below:

Outstanding as on 31st March 2025 from due date of payment								
Particulars	Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed - Considered good	-	422.94	2,730.32	9.39	7.17	-	568.00	3,737.82
(ii) Undisputed - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed - Credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed - Considered good	-	-	-	-	-	-	21.52	21.52
(v) Disputed - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed - Credit impaired	-	-	-	-	-	-	-	-
Total	-	422.94	2,730.32	9.39	7.17	-	589.51	3,759.34
Less: Loss Allowances								(89.49)
Total trade receivables								3,669.84

Outstanding as on 31st March 2024 from due date of payment								
Particulars	Unbilled	Not Due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed - Considered good	-	997.11	2,467.90	7.85	11.52	390.46	183.78	4,058.62
(ii) Undisputed - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed - Credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed - Considered good	-	-	-	-	-	-	21.52	21.52
(v) Disputed - Which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed - Credit impaired	-	-	-	-	-	-	-	-
Total	-	997.11	2,467.90	7.85	11.52	390.46	205.29	4,080.14
Less: Loss Allowances								(4.30)
Total trade receivables								4,075.83

9.2 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

9.3 The details of Loss allowances for doubtful receivables are as under: -

Particulars	As at 31st March 2025	As at 31st March 2024
Opening Balance	4.30	-
Add/(Less): Loss Allowances	85.19	4.30
Less: Write off/ reversal	-	-
Closing Balance	89.49	4.30

10 Cash and Cash Equivalents

	As at 31st March 2025	As at 31st March 2024
Balances with banks		
- In current accounts	185.82	472.64
- In embarked current accounts	1.60	1.60
Cash on hand	17.07	43.57
Total	204.50	517.81



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

11 Bank balances other than above

Fixed deposit *

Total

As at 31st March 2025	As at 31st March 2024
658.43	1,555.87
658.43	1,555.87

* Represents fixed deposit of

- a) ₹ 604.71 lakhs with original maturity of more than 3 months but less than 12 months from the balance sheet date.
b) ₹ 53.72 lakhs with original maturity of Fixed deposit having more than 12 months of maturity from the balance sheet date.
c) Fixed deposit includes an amount of ₹ 256.76 lakhs kept in lien towards the margin money against BG & LC.
d) Fixed deposit includes an amount of ₹ 1.67 lakhs kept in lien towards mining licence as security deposit

12 Other financial assets

(A) Non-Current

(Unsecured, considered good)

Security deposits

- Related Parties

- Others

Total

As at 31st March 2025	As at 31st March 2024
42.00	42.00
1,160.05	1,221.12
1,202.05	1,263.12

(B) Current

(Unsecured, considered good)

- Others

Security deposit / EMD

Interest accrued on fixed deposit and others

Loans and advances to employee

Interest on debenture receivable

Other Receivable

Total

203.45	254.12
98.99	186.68
20.39	13.77
1.06	1.06
269.23	271.95
593.12	727.57

13 Other current assets

(Unsecured, considered good)

Advances other than capital advances

Others

- Prepaid expenses

- Balances with government authorities

Total

As at 31st March 2025	As at 31st March 2024
1,636.36	2,204.60
32.30	32.30
773.60	1,597.55
2,442.25	3,834.44

14 Current Tax Asset (Net)

Current Tax (net of provision)

Total

As at 31st March 2025	As at 31st March 2024
41.59	-
41.59	-

15 Equity share capital

Authorised

3,74,00,000 (31st March 2024: 3,74,00,000) Equity Shares of Rs. 10/- each

Issued, subscribed and fully paid-up

3,32,29,976 (31st March 2024: 3,32,29,976) Equity Shares of 10/- each

Total

As at 31st March 2025	As at 31st March 2024
3,740.00	3,740.00
3,740.00	3,740.00
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 31st March 2025		As at 31st March 2024	
	Number	Amount	Number	Amount
At the commencement of the year	332,29,976	3,323.00	332,29,976	3,323.00
Add: Issued during the year	-	-	-	-
Number of shares outstanding at the end of the year	332,29,976	3,323.00	332,29,976	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.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

C) Particulars of shareholders holding more than 5% shares of fully paid up equity shares

Sl. No.	Name of the shareholder	As at 31st March 2025		As at 31 March 2024	
		Number of shares	% of total shares in the class	Number of shares	% of total shares in the class
1	Jaik Leasing & Commercial Investment Limited	63,83,911	19.21%	69,83,911	21.02%
2	M.A Hire Purchase Private Limited	51,93,568	15.63%	51,93,568	15.63%
3	Shree Vinay Finvest Private Limited	49,16,049	14.79%	49,16,049	14.79%
4	Ravi Business Services Private Limited	44,69,986	13.45%	44,69,986	13.45%
5	Jagran Vyapar Private Limited	18,83,537	5.67%	18,83,537	5.67%
6	Rama Alloys Private Limited (Digvijay Tracon Private Ltd)	16,84,027	5.07%	16,84,027	5.07%

D) Details of Promoter's Shareholding

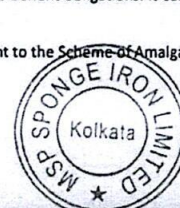
Sl. No.	Promoter's name	As at 31 March 2025		As at 31 March 2024		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
1	Ekta Agrawal	1,01,875	0.31%	1,01,875	0.31%	-
2	Kiran Agrawal	1,04,250	0.31%	1,04,250	0.31%	-
3	Manish Agrawal	3,31,350	1.00%	3,31,350	1.00%	-
4	Nisha Agrawal	95,000	0.29%	95,000	0.29%	-
5	Pranay Agarwal	2,70,250	0.81%	2,70,250	0.81%	-
6	Priyanka Agrawal	43,500	0.13%	43,500	0.13%	-
7	Puranmal Agrawal	31,300	0.09%	31,300	0.09%	-
8	Puranmal Agrawal (Huf)	1,65,000	0.50%	1,65,000	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	1,20,100	0.36%	1,20,100	0.36%	-
12	Suresh Kr. Agrawal	36,300	0.11%	36,300	0.11%	-
13	Suresh Kr. Agrawal (Huf)	1,12,500	0.34%	1,12,500	0.34%	-
14	Ramanand Puranmal(Huf)	1,56,000	0.47%	1,56,000	0.47%	-
15	Danta Vyapar Kendra Limited	16,18,333	4.87%	16,18,333	4.87%	-
16	Dexo Trading Private Limited	8,33,100	2.51%	5,33,100	1.60%	0.90%
17	Rama Alloys Private Limited (Digvijay Tracon Private Ltd)	16,84,027	5.07%	16,84,027	5.07%	-
18	Howrah Gases Limited	56,500	0.17%	56,500	0.17%	-
19	Jaik Leasing & Commercial Investment Limited	63,83,911	19.21%	69,83,911	21.02%	-1.81%
20	M.A Hire Purchase Private Limited	51,93,568	15.63%	51,93,568	15.63%	-
21	MSP Steel & Power Limited	3,13,000	0.94%	3,13,000	0.94%	-
22	Shree Vinay Finvest Private Limited	49,16,049	14.79%	49,16,049	14.79%	-
23	Sikhar Commotrade Private Limited	6,28,500	1.89%	5,03,500	1.52%	0.38%
24	Procheta Consultants Private Limited	3,44,835	1.04%	2,19,835	0.66%	0.38%
25	Sampat Marketing Company Private Limited	9,84,065	2.96%	9,34,065	2.81%	0.15%
26	Jagran Vyapar Private Limited	18,83,537	5.67%	18,83,537	5.67%	-
27	Ginny Traders Private Limited	43,750	0.13%	43,750	0.13%	-
	Total	265,92,575	80.03%	265,92,575	80.03%	

16 Other equity
A. Summary of other equity balances

	As at 31st March 2025	As at 31st March 2024
a) Share premium	21,206.74	21,206.74
b) Capital reserve	40,224.57	40,224.57
c) General Reserve	3,622.04	3,622.04
d) Retained Earnings		
- Balance as per last financial statements	3,934.12	2,333.17
- Profit for the year	80.15	1,592.39
- Remeasurement Benefits gain / (loss) transferred from Other Comprehensive Income	(38.73)	8.55
	3,975.54	3,934.12
e) Items of Other Comprehensive Income (OCI)		
- Balance as per last financial statements	4,068.56	(1,478.07)
- Remeasurement of defined benefits Gain/(Loss) (Net of tax)	(38.73)	8.55
- Remeasurement Benefits gain / (loss) transferred to retained earnings	38.73	(8.55)
- Equity instruments through other comprehensive income	(1,587.47)	5,546.63
	2,481.09	4,068.56
Total (a+b+c+d+e)	71,509.99	73,056.04

B. Nature and purpose of reserves

- (a) Capital Reserve: Reserve represents the difference between fair value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.
- (b) Share Premium: The amount received in excess of face value of the equity shares is recognised as Share Premium.
- (c) Retained earnings: It represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. It can be utilized in accordance with the provisions of the Companies Act, 2013.
- (d) General Reserve: The balance in the General Reserve has been transferred from the Transferee Company pursuant to the Scheme of Amalgamation.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

(e) Equity Instruments through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of investment in equity shares of other companies (quoted and unquoted) through OCI. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	As at 31st March 2025	As at 31st March 2024
17 Borrowings		
Current		
Secured - at amortised cost		
Borrowings		
- Cash credit (a)	3,060.06	1,002.69
	<u>3,060.06</u>	<u>1,002.69</u>

a. The Company has been sanctioned a Cash Credit facility with a limit of ₹5,000.00 lakhs by Kotak Mahindra Limited, which is renewed on an annual basis.

Security
i) Primary Security

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

b) Exclusive charge by way of Hypothecation of Plant & Machinery at Unit-I Village- Haldiaguna & Balisuan, P.O. Govardhan, Dist- Keonjhar, Odisha

ii) Collateral Security

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

iii) Guarantees

Personal Guarantees of Mr. Manish Agrawal and Mr. Suresh Agrawal

b. HDFC Bank, New Alipore branch has sanctioned Over Draft limit of Rs. 3.80 Cr against Fixed Deposit of Rs. 4 Cr.

	As at 31st March 2025	As at 31st March 2024
18 Provisions		
(A) Non-current		
Provisions for employee benefits		
- Provision for gratuity (net of plan asset)	101.55	62.51
- Provision for leave encashment	74.30	66.97
Total	<u>175.85</u>	<u>129.48</u>
(B) Current		
Provisions for employee benefits		
- Provision for gratuity (net of plan asset)	51.31	38.21
- Provision for leave encashment	6.58	5.22
Total	<u>57.89</u>	<u>43.44</u>

	As at 31st March 2025	As at 31st March 2024
19 Trade payables		
(a) Total outstanding dues of micro and small enterprises	236.78	230.20
(b) Total outstanding dues of creditors other than micro and small enterprises	1,150.23	2,325.23
	<u>1,387.02</u>	<u>2,555.44</u>

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.

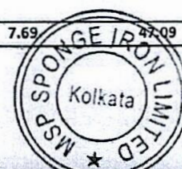
Dues to Micro And Small Enterprises

Particulars	As at 31st March 2025	As at 31st March 2024
a. The principal amount remaining unpaid to any supplier as at the end of each accounting year;	236.78	230.20
b. The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	0.32	3.24
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.	0.32	3.24

The above information has been determined to the extent such parties have been identified on the basis of information available with the company.
Interest of Rs. 0.32 lakhs (3.24 lakhs) on MSE grouped under other financial liabilities

19.2 Trade Payables ageing schedule

Particulars	Unbilled	Not Due	Outstanding as on 31st March 2025 from due date of payment				Total
			Less than to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed dues - MSME			236.78				236.78
(ii) Undisputed dues - Others	70.11		1,004.69	20.65	7.69	47.09	1,150.23
(iii) Disputed dues - MSME							-
(iv) Disputed dues - Others							-
Total	70.11	-	1,241.47	20.65	7.69	47.09	1,387.02



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Particulars	Unbilled	Not Due	Outstanding as on 31st March 2024 from due date of payment				Total
			Less than to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed dues - MSME			229.50			0.70	230.20
(ii) Undisputed dues - Others	189.24		2,035.93	36.82	14.68	48.56	2,325.23
(iii) Disputed dues - MSME							-
(iv) Disputed dues - Others							-
Total	189.24	-	2,265.44	36.82	14.68	49.26	2,555.44

20	Other financial liabilities	As at 31st March 2025	As at 31st March 2024
	Current		
	Interest accrued but not due on Borrowings	40.99	0.80
	Others		
	- Creditor for capital goods	424.54	209.55
	- Security deposit	85.70	54.42
	- Other Payables	1,782.08	2,105.74
	Total	2,333.30	2,370.51

21	Other current liabilities	As at 31st March 2025	As at 31st March 2024
	Advance from customers	440.03	902.51
	Statutory Liabilities	260.13	645.02
	Total	700.17	1,547.52

22	Current Tax Liabilities (Net)	As at 31st March 2025	As at 31st March 2024
	Current Tax (net of provision)	-	74.72
	Total	-	74.72

23	Revenue from operations	Year ended 31st March 2025	Year ended 31st March 2024
	Revenue from sale of products	94,898.66	93,957.99
	Other operating income	94,898.66	93,957.99
	- Scrap and by products	729.68	694.41
	- Material Handling Charges Received	243.95	534.51
	- Conversion Charges Received	-	1,968.88
	- Others	59.05	79.55
	Total	95,931.33	97,235.33

24	Other income	Year ended 31st March 2025	Year ended 31st March 2024
	Interest income		
	- On Unsecured Loan	1,653.75	923.62
	- On fixed deposits and others	127.09	151.64
	- On Debentures	1.18	1.18
	- Others	4.04	-
	Dividend income	10.63	10.01
	Other non-operating income		
	- Profit on Sale of Shares	60.00	(15.71)
	- Fair value changes on investments measured at fair value through profit or loss	37.40	729.75
	- Service Charge for issuance of Corporate Guarantee	75.69	45.14
	- Sundry Balances Written Back	211.40	-
	- Others	19.08	297.47
	Total	2,200.27	2,143.10

25	Cost of materials consumed	Year ended 31st March 2025	Year ended 31st March 2024
	Inventory of Raw Materials at the beginning of the year	3,247.97	5,959.69
	Add: Purchases during the year	71,379.05	70,905.91
		74,627.02	76,865.60
	Less: Inventory of Raw Materials at the end of the year	(4,115.40)	(3,247.97)
	Cost of materials consumed	70,511.61	73,617.63



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

26	Change in inventories of finished goods and work-in-progress	Year ended	Year ended
		31st March 2025	31st March 2024
	Opening finished goods	4,046.86	4,136.49
	Opening Work-in-progress	9.56	117.34
		4,056.42	4,253.83
	Less Inventories at the end of the year		
	Closing finished goods	614.71	4,046.86
	Closing Work-in-progress	204.02	9.56
		818.73	4,056.42
	Less: Finished Goods transferred to Capital work-in-projects (CWIP)	3.60	100.30
	(Increase)/Decrease in inventories	3,234.08	97.10
27	Employee benefits expense	Year ended	Year ended
		31st March 2025	31st March 2024
	Salaries, Wages & Bonus (including Directors Remuneration)	3,208.08	3,018.57
	Contribution to Provident and Other Funds	149.77	151.59
	Leave Encashment (refer note 34)	13.34	4.76
	Gratuity (refer note 34)	54.75	56.62
	Staff Welfare Expenses	71.55	53.67
	Total	3,497.49	3,285.21
28	Finance costs	Year ended	Year ended
		31st March 2025	31st March 2024
	Interest Expense	244.59	7.50
	Bank Charges & Other Borrowing Costs	2.88	56.59
	Total	247.47	64.09
Details of Interest Expenses		31st March 2025	31st March 2024
- Cash Credit Facility		237.59	4.20
- Interest on Others		5.48	-
- Interest on lease liabilities		1.52	-
- Debenture		-	1.52
- Interest on Unsecured Loan		-	1.77
Total		244.59	7.50
29	Depreciation and amortization expense	Year ended	Year ended
		31st March 2025	31st March 2024
	Depreciation of tangible assets	1,792.99	1,811.61
	Amortization of intangible assets	7.22	6.94
		1,800.21	1,818.54
30	Other expenses	Year ended	Year ended
		31st March 2025	31st March 2024
	Consumption of stores and spares	3,739.36	5,393.51
	Power and fuel	7,620.59	6,781.96
	Equipment hire charges	281.14	232.71
	Operation and Running Expenses	2,977.18	2,802.27
	Repair and maintenance of		
	- Building	21.65	17.79
	- Plant and machinery	116.01	144.27
	- Others	63.02	70.22
	Material handling charges	565.67	299.12
	Vehicle running and maintenance	148.48	169.98
	Corporate Social Responsibility	139.86	209.64
	Travelling and conveyance	169.76	95.95
	Payment to Auditors	4.20	3.08
	Rent	139.78	112.16
	Rates and taxes	495.69	470.99
	Testing charges	8.16	22.36
	Legal and professional fees	223.36	172.41
	Provision for doubtful debts	85.19	4.30
	Advertisement and sales promotion	353.54	198.27
	Freight outward	302.46	522.83
	Exchange differences (net)	6.03	7.79
	Sales and distribution expenses	313.37	460.77
	Dust, dumping and shifting expense	188.88	143.71
	Security expenses	170.40	185.90



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Insurance charges	204.36	226.44
Telephone and Mobile expenses	7.99	8.75
Sundry Balance Written off	33.33	-
Miscellaneous expenses	217.31	192.97
	18,596.76	18,950.14

30.1 Payment to Auditors as:

	Year ended 31st March 2025	Year ended 31st March 2024
Statutory Audit fees	2.30	1.65
Tax audit fees	1.20	0.60
Certification fees	0.20	0.48
Cost audit fees	0.50	0.35
Total	4.20	3.08

31 Income taxes
A. Amount related to profit or loss

	Year ended 31st March 2025	Year ended 31st March 2024
Current tax		
Current period	210.55	315.54
Income Tax for Previous year	(14.64)	3.32
A	195.91	318.87

B. Deferred tax

Deferred tax for the year	(46.00)	(365.55)
B	(46.00)	(365.55)

Tax expense reported in the Statement of Profit and Loss [(A)+(B)]

	149.91	(46.68)
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31.1 Income Taxes relating to continuing operations
A. Income Tax Recognised In Profit or Loss

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Profit before tax	230.06	1,545.71
Income tax expense calculated at 25.168% (2024-2025: 22%+10% Surcharge + 4% HEC=25.168%)	57.90	389.02
Add:		
Non - deductible expenses for tax purposes - CSR Exp at 25.17%	35.2	52.76
Non - deductible expenses for tax purposes - Other at 25.17%	28.52	6.73
Depreciation as per Companies Act at 25.17%	453.08	457.69
Tax effect of expenses that are not deductible in determining taxable profit	516.80	517.18
Less:		
Depreciation as per Income Tax at 25.17%	339.64	347.71
Comprehensive Income FVTPL at 25.17%	9.41	183.66
Long Term Capital Gain at 25.17%	15.10	59.29
Tax effect of income that is exempt from taxation	364.15	590.66
Income tax expense recognised in profit or loss	210.55	315.54

B. Income tax recognised in Other Comprehensive Income

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	237.21	770.03
Items that may be reclassified to profit or loss	13.02	15.64
Total	250.24	785.67

32 Earnings per share (EPS)
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

Earnings per share has been computed as under:

	As at 31st March 2025	As at 31st March 2024
(a) Profit for the year	80.15	1,592.39
(b) Weighted average number of ordinary shares (basic and diluted)	332,29,976	332,29,976
(c) Earnings per share on profit for the year		
- Basic EPS (in Rs.)	0.24	4.79
- Diluted EPS (in Rs.)	0.24	4.79



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

33 Segment information

The Company is engaged in manufacturing of "Iron and Steel". Consequent to the adoption of IND-AS, the company has identified one operating segment viz, "Iron and Steel".

Particulars	Revenue (by location of operations)		Non-current assets (see note below)	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
Country				
Within India	95,931.33	97,235.33	41,953.80	39,590.74
Total	95,931.33	97,235.33	41,953.80	39,590.74

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

34 Disclosure pursuant to Indian Accounting Standard - 19 "Employee Benefits"
(a) Defined contribution plans:

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

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Employer's contribution to Provident Fund	123.68	121.06
Employer's contribution to ESIC	15.80	19.07
	139.47	140.13

(b) Defined benefit plans:
Statement of Assets and Liabilities for defined benefit obligation

	Leave Encashment		Gratuity (Funded)	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Net defined benefit asset	-	-	(488.88)	(434.30)
Net defined benefit obligation	80.88	72.19	641.74	535.02
Total employee benefit (liabilities)/Assets	80.88	72.19	152.86	100.72
Non-current	74.30	66.97	101.55	62.51
Current	6.58	5.22	51.31	38.21

Defined benefits - Earned Leave Encashment

The Company's Earned leave plan for its employees is non-funded.

Defined benefits - Gratuity (Funded)

The Company's gratuity benefit scheme for its employees in India is a defined benefit plan (funded). The Company has funded through Life Insurance Corporation of India under the "New Group Gratuity Cash Accumulation Plan".

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 employee's 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.

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

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset / liability and its components):

	Leave Encashment		Gratuity (Funded)	
	As at 31st March 2025	As at 31st March 2024	As at 31st March 2025	As at 31st March 2024
Balance at the beginning of the year	72.19	74.04	535.02	511.38
Current service cost	6.68	6.42	47.56	47.60
Interest cost	5.16	5.49	38.23	37.92
Actuarial (gains)/ losses arising from:				
- financial assumptions	2.95	(4.97)	22.39	(35.17)



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

- demographic assumptions	-	-	-	-
- experience adjustment	(1.44)	(2.18)	26.11	13.34
Benefits paid	(4.65)	(6.60)	(27.56)	(40.05)
Past service cost	-	-	-	-
Balance at the end of the year	80.88	72.19	641.74	535.02

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

	Leave Encashment		Gratuity (Funded)	
	As at	As at	As at	As at
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Present value of defined benefit obligation	80.88	72.19	641.74	535.02
Fair value of plan assets	-	-	(488.88)	(434.30)
Net defined benefit obligations in the Balance Sheet	80.88	72.19	152.86	100.72

(iii) Expense recognised in Profit or Loss

	Leave Encashment		Gratuity (Funded)	
	As at	As at	As at	As at
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Current service cost	6.68	6.42	47.56	47.60
Interest cost	5.16	5.49	7.20	9.03
Expected return on plan assets	-	-	-	-
Past service cost	-	-	-	-
Actuarial loss/ (gain) arising on defined benefit obligation from				
- demographic assumptions	-	-	-	-
- financial assumptions	2.95	(4.97)	-	-
- experience adjustment	(1.44)	(2.18)	-	-
Total Defined Benefit Cost Recognised in Profit and Loss	13.34	4.76	54.75	56.62

(iv) Remeasurements recognised in Other Comprehensive Income

	Gratuity (Funded)	
	As at	As at
	31st March 2025	31st March 2024
(a) Actuarial loss/ (gain) arising on defined benefit obligation from		
- Demographic assumptions	-	-
- Financial assumptions	22.39	(35.17)
- Experience adjustment	26.11	13.34
(b) Actual return on plan asset less interest on plan asset	3.25	4.80
Amount recognised in Other Comprehensive Income	51.75	(17.03)

(v) Reconciliation of present value of plan assets

The following table shows a reconciliation from the opening balances to the closing balances for the Planed Assets and its components

	Gratuity (Funded)	
	As at	As at
	31st March 2025	31st March 2024
Balance at the beginning of the year	434.30	389.64
Investment Income	31.03	28.89
Actual return on plan asset less interest on plan asset	(3.25)	(4.80)
Contributions by the employer	54.36	60.61
Benefits paid	(27.56)	(40.05)
Balance at the end of the year	488.88	434.30

(vi) Actuarial assumptions

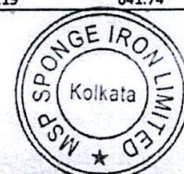
	Leave Encashment		Gratuity (Funded)	
	As at	As at	As at	As at
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Discount rate	6.70%	7.15%	6.70%	7.15%
Expected rate of salary increase	5.00%	5.00%	5.00%	5.00%
Retirement age (years)	60 Years	60 Years	60 Years	60 Years
Average future service	16.98	17.59	16.98	17.59

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

(vii) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	Leave Encashment		Gratuity (Funded)	
	As at	As at	As at	As at
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
Defined Benefit Obligation (Base)	80.88	72.19	641.74	535.02



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Particulars	Leave Encashment				Gratuity (Funded)			
	As at		As at		As at		As at	
	31st March 2025		31st March 2024		31st March 2025		31st March 2024	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	88.14	74.54	78.81	66.42	696.63	593.50	582.04	493.77
(% change compared to base due to sensitivity)	9.00%	-7.80%	9.20%	-8.00%	8.60%	-7.50%	8.80%	-7.70%
Salary Growth Rate (- / + 1%)	74.39	88.19	66.26	78.89	592.33	696.73	492.60	582.41
(% change compared to base due to sensitivity)	-8.00%	9.00%	-8.20%	9.30%	-7.70%	8.60%	-7.90%	8.90%
Attrition Rate (- / + 50% of attrition rates)	78.57	82.66	69.38	74.35	625.91	653.96	516.70	549.16
(% change compared to base due to sensitivity)	-2.90%	2.20%	-3.90%	3.00%	-2.50%	1.90%	-3.40%	2.60%
Mortality Rate (- / + 10% of mortality rates)	80.85	80.91	72.16	72.23	641.51	641.97	534.77	535.27
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(viii) Weighted average duration of defined benefit obligation

(ix) Maturity profile of defined benefit obligation

Within the next 12 months
Between 2 and 5 years
Between 6 and 10 years
More than 10 years

Leave Encashment		Gratuity (Funded)	
As at	As at	As at	As at
31st March 2025	31st March 2024	31st March 2025	31st March 2024
8 Years	8 Years	8 Years	8 Years

6.58	5.22	51.31	38.21
28.16	26.43	239.06	204.63
42.71	38.00	339.56	288.43
81.17	82.23	586.70	555.41

35 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) Subsidiary Company

Indoves Industrial Private Limited

b) Key Managerial Personnel & their relatives

Name	Designation / Nature of Relationship
Mr. Manish Agrawal	Managing Director
Mr. Suresh Kumar Agrawal	Non Executive Promoter Director
Mr. Pradip Kumar Dey	Executive Director
Ms. Sunita Mohanty	Non Executive Independent Director
Ms. Aparna Kar	Non Executive Independent Director
Mr. Prashant Pandey	Non Executive Independent Director
Mr. Subhash Agarwal	Chief Financial Officer
Ms. Vasudha Agarwal	Company Secretary

Close Family Members of the Key Management Personnel

Mr. Puran Mal Agrawal	Father of Manish Agrawal
Mrs. Kiran Agrawal	Mother of Manish Agrawal
Mrs. Richa Agrawal	Wife of Manish Agrawal
Ms. Priyanka Agrawal	Sister of Manish Agrawal
Mr. Saket Agrawal	Son of Suresh Kumar Agrawal
Mr. Pranay Agarwal	Son of Suresh Kumar Agrawal
Mrs. Nisha Agrawal	Wife of Suresh Kumar Agrawal
Mrs. Ekta Agrawal	Daughter-in-law of Suresh Kumar Agrawal
Mrs. Dishha Agarwal	Daughter-in-law of Suresh Kumar Agrawal
Suresh Nisha HUF	Non Executive Promoter Director is the Karta
Suresh Saket HUF	Non Executive Promoter Director is the Karta
Saket Nisha HUF	Son of Suresh Kumar Agrawal is the Karta
Suresh Pranay HUF	Non Executive Promoter Director is the Karta
Manish Kiran HUF	MD is the Karta
Puranmal Kiran HUF	Father of Manish Agrawal is the Karta

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

- Admirable Realtors Private Limited
- Rama Alloys Private Limited
- Howrah Gases Limited
- Ilex Private Limited
- Jagran Vyapaar Private Limited
- Jaik Leasing And Commercial Investment Limited

- Prateek Mines & Minerals Private Limited
- Procheta Consultants Private Limited
- Rakhi Vinimay Private Limited
- Sampat Marketing Co. Private Limited
- Shree Vinay Finvest Private Limited
- Veena Vyapaar Private Limited



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

- Khatupati Energy Limited
- M. A. Hire Purchase Private Limited
- Mayur Media Services Private Limited
- Orbit Dealcom Private Limited
- MSP Cement Limited
- MSP Mines & Minerals Limited
- MSP Steel and Power Limited

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)	2024-25	2023-24
Sale of goods & services		
MSP Steel & Power Limited	16,786.50	15,955.79
Revenue from Corporate Guarantee		
MSP Steel & Power Limited	89.32	53.27
Purchase of Raw Material & Components Consumed		
MSP Steel & Power Ltd	3,592.97	4,220.79
Indoves Industrial Private Limited	10.25	0.82
Jagran Vyapaar Private Limited	134.82	107.48
Shree Vinay Finvest Private Limited	1.88	-
Security Deposit		
Sidhsilver Infraproperties Private Limited	-	22.00
Amount paid by party on behalf of us		
MSP Steel & Power Limited	80.40	24.30
Indoves Industrial Private Limited	0.08	0.06
MSP Mines & Minerals Limited	-	1.25
Refund of Advance		
MSP Mines & Minerals Limited	-	1,550.00
MSP Cement Limited	5.00	-
Share Application Money paid		
Indoves Industrial Private Limited	-	1,750.00
Amount paid on behalf of party		
MSP Steel & Power Limited	309.07	240.67
Rent & Maintenance Expenses		
Nisha Agrawal	2.88	2.88
Richa Agrawal	2.88	2.88
Sidhsilver Infraproperties Private Limited	130.53	73.89
Jaik Leasing & Commercial Investments Limited	25.37	31.39
Orbit Dealcom Private Limited	5.31	-
Vehicle Hire Charges Expenses		
Jaik Leasing & Commercial Investments Limited	7.57	7.57
Mayur Media Services Private Limited.	9.66	9.66
Suresh Nisha HUF	3.54	3.54
Equipment Hire Charges Expenses		
Veena Vyapaar Private Limited	3.96	3.96
Jagran Vyapaar Private Limited	134.23	92.04
Howrah Gases Limited	33.08	-
Rama Alloys Private Limited	61.36	-
Suresh Nisha HUF	1.89	11.33
Suresh Saket HUF	11.33	11.33
Suresh Pranay HUF	11.33	11.33
Puranmal Kiran HUF	5.90	-
Manish Kiran HUF	10.62	10.62
Saket Nisha HUF	1.87	11.33
Loading & Handling Charges for Raw Material		
MSP Mines & Minerals Limited	21.24	14.16
Loans & Advances Given		
Indoves Industrial Private Limited	-	1,250.00
MSP Cement Limited	-	96.00
Jaik Leasing & Commercial Investments Limited	-	10.00
Refund Received of Loans & Advances Given		
Indoves Industrial Private Limited	-	1,365.60
MSP Cement Limited	-	246.00
Jaik Leasing & Commercial Investments Limited	9.83	10.55
Interest received on Loans & Advances Given		
Indoves Industrial Private Limited	140.78	225.98
Jaik Leasing & Commercial Investments Limited	0.80	0.61
Interest received on Debenture		
Shree Vinay Finvest Pvt. Ltd.	1.08	1.08



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Notes to Standalone Financial Statement for the year ended 31st March 2025

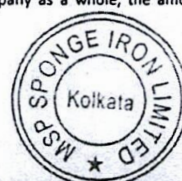
(₹ in lakhs)

Repayment of Loans & Advances Taken		
Credence Vinimay Private Limited	-	151.03
M. A. Hire Purchase Private Limited	-	37.09
Howrah Gases Limited	-	35.29
Jaik Leasing & Commercial Investments Limited	-	108.10
Shreevadhu Mercantiles Private Limited	-	50.38
Salary Paid to Close Family Members		
Saket Agrawal	76.68	74.43
Ekta Agrawal	-	30.00
Richa Agrawal	60.00	30.00
Directors' Remuneration		
Manish Agrawal	100.35	87.73
Pradip Kumar Dey	52.00	43.06
Suresh Kumar Agrawal	106.02	98.03
Key Managerial Remuneration		
Vasudha Agarwal	6.58	3.07
Ruchika Mohata	-	1.88

Balance outstanding at the year end are as follows:

	As at 31st March 2025	As at 31st March 2024
Trade Receivable		
MSP Steel & Power Limited	2,638.46	2,889.47
Trade Payable		
Jagran Vyapaar Private Limited	11.31	7.54
Indoves Industrial Private Limited	1.64	-
Puranmal Kiran HUF	0.58	-
Rama Alloys Private Limited	7.54	-
Other Financial Liabilities - Other Payables		
Nisha Agrawal	0.22	0.22
Richa Agrawal	3.47	3.47
Ekta Agrawal	-	3.25
MSP Mines & Minerals Limited	1.74	1.16
Veena Vyapaar Private Limited	0.32	0.32
Prateek Mines & Minerals Private Limited	410.85	410.85
Manish Agrawal	3.60	3.60
Suresh Kumar Agrawal	3.90	3.90
Pradip Kumar Dey	2.48	1.81
Saket Agrawal	2.90	2.93
Rakhi Vinimay Private Limited	100.10	100.10
Jaik Leasing & Commercial Investments Limited	2.77	2.51
Sidhsilver Infraproperties Private Limited	15.41	8.93
Indoves Industrial Private Limited	0.01	0.01
Mayur Media Services Private Limited.	0.79	0.79
Howrah Gases Limited	1.93	-
Orbit Dealcom Private Limited	4.86	-
Suresh Nisha HUF	0.29	1.19
Suresh Saket HUF	0.93	0.93
Suresh Pranay HUF	0.93	0.93
Manish Kiran HUF	0.87	0.87
Other Financial Asset		
Sidhsilver Infraproperties Private Limited	42.00	42.00
Shree Vinay Finvest Pvt. Ltd.	0.97	0.97
Loans & Advances Given		
Indoves Industrial Private Limited	1,690.88	1,564.18
Jaik Leasing & Commercial Investments Limited	-	10.55
Investments		
MSP Steel & Power Limited	6,755.54	7,569.37
M.A. Hire Purchase Pvt. Limited	156.77	151.09
MSP Mines & Minerals Private Limited	78.30	75.29
Howrah Gases Limited	1.25	1.25
Indoves Industrial Private Limited - Subsidiary	3,950.00	3,950.00
Sidhsilver Infraproperties Private Limited	171.75	250.00
Admirable Realtors Private Limited	1.09	1.01
Procheta Consultants Private Limited	12.00	20.69
Khatupali Energy Limited	60.70	65.91
Jaik Leasing And Commercial Investment Limited	552.56	1,487.62
Jagran Vyapaar Private Limited	309.38	305.40
Shree Vinay Finvest Private Limited - (Debenture)	1,075.00	1,075.00
Shree Vinay Finvest Private Limited	131.24	115.76

* 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.



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(₹ 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 purchases 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.

- 36 During the year ended March 31, 2025, the Company has not entered into any transactions with companies that have been struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

37 Details of Foreign Currency transaction

	As at 31st March 2025	As at 31st March 2024
CIF Value of Imported material (Store & Spares)	287.21	176.09
CIF Value of Imported material (Raw Material)	863.61	270.90
Subscription / Membership Fees	20.80	9.38

38 Contingent liability

Contingent liabilities comprise of :

Excise & Service Tax Demand pending in Appeal

Income Tax Demand pending in Appeal

VAT & CST Cases pending in Appeal

GST Cases pending in Appeal

Total

Others:

Corporate Guarantees Given *

Bank Guarantees given by the banks on behalf of Company**

Tata Steel Long Products Limited***

Letter of Credit ****

	As at 31st March 2025	As at 31st March 2024
Excise & Service Tax Demand pending in Appeal	12.69	12.69
Income Tax Demand pending in Appeal	540.62	531.27
VAT & CST Cases pending in Appeal	129.22	192.96
GST Cases pending in Appeal	259.12	179.69
Total	941.65	916.60
Others:		
Corporate Guarantees Given *	-	-
Bank Guarantees given by the banks on behalf of Company**	66.86	136.29
Tata Steel Long Products Limited***	99.00	99.00
Letter of Credit ****	20.00	20.00
	185.86	255.29

* 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 pledged with the lenders of MSP Steel and Power Ltd

** 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.

*** Arbitrator's Award under Appeal at Hon'ble High Court, Kolkata.

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

Capital Commitment

The capital commitment for the company amounts to ₹ 1,522.95 lakhs with respect to purchase of Plant and Machinery for Captive Power Plant & 350 TPD DRI Klin

39 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 Company'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 Company'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.

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

(i) Credit risk

Credit risk is the risk of financial loss of the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company 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 creditworthiness before the Company'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.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

Exposure to credit risks

The Company'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 31st March 2025		Year ended 31st March 2024	
	%	Amount	%	Amount
Revenue from top customer	14.90%	14,295.42	13.95%	13,566.64
Revenue from top five customers	29.73%	28,524.88	27.30%	26,545.75

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's 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 Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The Company'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.

31st March 2025	0- 1 year	1-5 years	> 5 years	Total
Borrowings	3,060.06	-	-	3,060.06
Trade payables	1,387.02	-	-	1,387.02
Other financial liabilities	2,333.30	-	-	2,333.30
31st March 2024	Less than 1 year	1-5 years	> 5 years	Total
Borrowings	1,002.69	-	-	1,002.69
Trade payables	2,555.44	-	-	2,555.44
Other financial liabilities	2,370.51	-	-	2,370.51

(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.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest 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 Company's interest bearing financial instruments at the end of the reporting period are as follows:

Particulars	31st March 2025	31st March 2024
Fixed rate instruments		
Financial assets	15,998.22	13,845.61
Financial liabilities	-	-
	15,998.22	13,845.61
Variable rate instruments		
Financial assets	-	-
Financial liabilities	(3,060.06)	(1,002.69)
	(3,060.06)	(1,002.69)

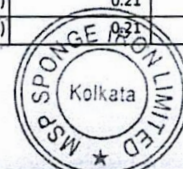
Sensitivity analysis

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
31st March 2025				
Variable rate instruments (Cash Credit limit)	15.84	(15.84)	11.85	(11.85)
Cash flow sensitivity (net)	15.84	(15.84)	11.85	(11.85)
31st March 2024				
Variable rate instruments (Cash Credit limit)	0.28	(0.28)	0.21	(0.21)
Cash flow sensitivity (net)	0.28	(0.28)	0.21	(0.21)



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

- (b) **Equity price risk**
The Company 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 Company does not have currency risks.

- 40 **Capital management**
The Company'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 Company 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		31st March 2025	31st March 2024
Total debt (Bank borrowings)	A	3,060.06	1,002.69
Total Equity	B	74,832.99	76,379.04
Liquid investments including bank deposits	C	658.43	1,555.87
Debt to Equity (A / B)		0.04	0.01
Debt to Equity (net) [(A - C) / B]		0.03	(0.01)

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

Particulars	As at 31st March 2025	As at 31st March 2024
Net Profits for the purpose of CSR - [Average Net Profits of Past 3 FY (D/3)]	8,383.37	12,257.39
(i) Amount required to be spent by the company during the year: (2% of Avg. Net Profits for the purpose of CSR Expenditure)	167.67	245.15
(ii) Amount of expenditure incurred		
a) During the Financial Year 2023-24	139.86	209.64
b) Set off from expenditure in previous financial years	28.85	64.36
(iii) Shortfall / (Excess) at the end of the year	(1.04)	(28.85)
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities		
a) Eradicating hunger, Water Supply, Healthcare,		
b) Promoting Education	50.31	59.85
c) Animal Welfare	87.68	129.30
d) Ensuring environment sustainability	0.64	-
e) Training to promote rural sports	0.51	5.51
f) Rural Infrastructural Development	-	-
	0.72	14.97
Total	139.86	209.64

(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

(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.

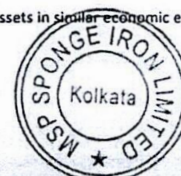
- 42 **Leases (Ind AS 116)**

The Company has elected to apply the following practical expedients available under Ind AS 116:

a) **Short term leases / Low-value assets** : The Company has elected short term leases and low value assets leases for recognition exemption of Ind AS 116. The Company recognises the lease rental payment associated with short term leases and low value assets as expense in the Statement of Profit & Loss. During the period ended 31st March 2025 the expenditure charged to profit & loss statement in respect to short-term leases and low-value assets are as below:

Particulars	31st March 2025
Expenses relating to short term leases	69.11
Expenses relating to low value assets	70.04

- b) **Discount rate** : The Company has applied incremental borrowing rate i.e 15% as discounting factor to each lease of similar assets in similar economic environment.



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ in lakhs)

The following effects have been given in the financial statement for the years ended 31st March, 2025

Balance Sheet: The movement of right-of-use assets and lease liabilities is as below:

Right-of-use assets (Land)	
Particulars	Amount
Balance as on 1st April, 2024	-
Additions	422.30
Depreciation during the period	5.61
Deletions / adjustments during the period	-
Balance as on 31st March, 2025	416.69

Lease Liabilities	
Particulars	Amount
Balance as on 1st April, 2024	-
Additions / Adjustments	10.12
Finance cost accrued during the year	1.52
Payment of lease liabilities	0.15
Deletions / adjustments during the period	-
Balance as on 31st March, 2025	11.49
Current	2.69
Non-current	8.80

Amount recognised in Statement of Profit and Loss or Carrying Amount of another asset

Particulars	Amount
Depreciation Recognised	5.61
Interest on lease liability	1.52
Expenses related to short term and low value assets	70.04
Total cash outflow for leases	0.15
Net carrying amount of right-to-use assets at the year end	416.69

43 Financial Instruments and related disclosures
43.1 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.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. 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.

43.2 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 31st March 2025 are as follows:

Particulars	Note No.	Carrying amount	Fair value		
			Level 1	Level 2	Level 3
A. Financial assets					
a) Measured at amortised cost					
Trade receivables	9	3,669.84	-	-	-
Cash and cash equivalents	10	204.50	-	-	-
Other bank balances	11	658.43	-	-	-
Investments in government / trust securities	4(A)	4.10	-	-	-
Investments in Debenture -Non-trade investment (Unquoted)	4(A)	1,175.00	-	-	1,175.00
Investments in Preference shares -in other (Unquoted)	4(A)	125.00	-	-	125.00
Loans	5	14,164.79	-	-	-
Other Financial Assets	12(B)	1,795.17	-	-	-
a) Measured at fair value through profit or loss					
Trade investments in Equity instruments - in other (Quoted)	4(A)	1,260.89	1,260.89	-	-
b) Measured at fair value through OCI					
Non-trade investments in Equity instruments - in other (Unquoted)	4(A)	5,573.57	-	-	5,573.57
Non-trade investments in Equity instruments - in other (Quoted)	4(A)	6,814.39	6,814.39	-	-
B. Financial liabilities:					
a) Measured at amortised cost					
Borrowings	17	3,060.06	-	-	-
Lease Liability	42	11.49	-	-	-
Trade payables	19	1,382.02	-	-	-
Other financial liabilities	20	2,333.30	-	-	-



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Notes to Standalone Financial Statement for the year ended 31st March 2025

(₹ 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 2024 are as follows:

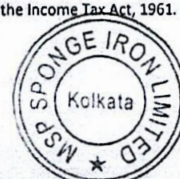
Particulars	Note No.	Carrying amount	Fair value		
			Level 1	Level 2	Level 3
A. Financial assets					
a) Measured at amortised cost					
Trade receivables	9	4,075.83	-	-	-
Cash and cash equivalents	10	517.81	-	-	-
Other bank balances	11	1,555.87	-	-	-
Investments in government/ trust securities	4(A)	4.10	-	-	-
Investments in Debenture -Non-trade investment (Unquoted)	4(A)	1,175.00	-	-	1,175.00
Investments in preference shares -in other (Unquoted)	4(A)	125.00	-	-	125.00
Loans	6	11,114.74	-	-	-
Other Financial Assets	12(A) & 12(B)	1,990.69	-	-	-
a) Measured at fair value through profit or loss					
Trade investments in Equity Instruments - in other (Quoted)	4(A)	1,239.92	1,239.92	-	-
b) Measured at fair value through OCI					
Trade investments in equity instruments - in other (Unquoted)	4(A)	2,386.02	-	-	2,386.02
Non-trade investments in equity instruments - in other (Quoted)	4(A)	7,626.61	7,626.61	-	-
B. Financial liabilities:					
a) Measured at amortised cost					
Borrowings	17	1,002.69	-	-	-
Trade payables	19	2,555.44	-	-	-
Lease Liability	42	-	-	-	-
Other financial liabilities	20	2,370.51	-	-	-

44 Key Financial Ratios

S.I	Particulars	As at 31st March 2025	As at 31st March 2024	% Variance	Explanation for variance of 25%
(i)	Current Ratio (times) [Current Assets / Current Liabilities]	4.03	4.30	-6.44%	
(ii)	Debt Equity Ratio (times) [Total Debt / Shareholder's Equity]	0.04	0.01	211.49%	The increase in the Debt-Equity Ratio is primarily attributable to an increase in working capital borrowings.
(iii)	Debt Service Coverage Ratio (times) [Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.) / Debt service (Interest & Lease Payments + Long term Principal Repayments)]	8.96	1.09	724.08%	The improvement in the Debt Service Coverage Ratio is attributable to a decrease in interest obligations and the reduction of outstanding loan liabilities.
(iv)	Return on Equity (%) [Net Profits after taxes / Average Shareholder's Equity]	0.11%	2.19%	-2.08%	
(v)	Inventory Turnover Ratio (times) [Sales of Products/ Average inventory (Opening + Closing balance / 2)]	11.34	8.54	32.77%	The increase in the Inventory Turnover Ratio is primarily due to a decrease in revenue from operations and a reduction in average inventory during the year, in comparison to the previous year.
(vi)	Net profit ratio (%) [Net profit after tax / Net Sales]	0.08%	1.64%	-1.55%	
(vii)	Return on capital employed (%) [Earning before interest and taxes / Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)]	0.58%	1.96%	-1.38%	
(viii)	Trade Receivable Turnover Ratio (times) [Revenue from Operations / Average trade debtors (Opening balance + Closing balance / 2)]	24.77	23.51	5.37%	
(ix)	Trade Payable Turnover Ratio (times) [Purchase of Raw Materials, traded goods & Stores/Average Trade Payables (Opening + Closing balance / 2)]	38.16	29.12	31.02%	The increase in the Trade Payable Turnover Ratio is due to a decrease in the trade payable balance compared to the previous year.
(x)	Return on Investment (%) [Return on investment: Income generated from invested fund / Adjusted Investment (Cost of quoted investment sold during year + Investment held on Balance Sheet Date)]	1.30%	-0.10%	1.40%	

45 Additional regulatory information:

- The Company does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- There are no recorded transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



MSP SPONGE IRON LIMITED

CIN:U27102WB1999PLC114830

Notes to Standalone Financial Statement for the year ended 31st March 2025

('₹ in lakhs)

- iii) As at March 31, 2025, the register of charges of the Company 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 Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year.
- v) The Company has not advanced or loaned or invested funds to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend to 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 Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend to 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 Company 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.
- ix) The Company has not raised any term loans from banks, financial institutions, or any other parties during the financial year.
- x) Pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, a Scheme of Amalgamation has been approved by the respective Boards of Directors for amalgamation of Indoves Industrial Private Limited ("Transferor Company") with MSP Sponge Iron Limited ("Transferee Company") and their respective shareholders.
- The "Appointed Date" for the amalgamation is April 1, 2024, and the Scheme shall be implemented from the Appointed date after order of the Hon'ble National Company Law Tribunal (NCLT) sanctioning the Scheme is filed with the Registrar of Companies.
- Upon the Scheme becoming effective, the entire undertaking of Indoves Industrial Private Limited, including all assets, liabilities, rights, and obligations, shall be transferred to and vested in MSP Sponge Iron Limited. The shareholders of Indoves Industrial Private Limited shall be allotted equity shares of MSP Sponge Iron Limited in accordance with the share exchange ratio approved under the Scheme.
- The Scheme is subject to requisite approvals from shareholders, creditors, regulatory authorities and sanction of the Hon'ble NCLT. Pending receipt of these approvals and completion of other formalities, no effect of the amalgamation has been given in the financial statements for the year ended March 31, 2025.
- xi) Compliance with audit trail for accounting software
The Company is using an ERP which is widely used internationally. The ERP software is having an audit trail feature for maintaining its books of account.
- 46 Figures for the previous year have been regrouped and reclassified to confirm to classification of the current year, where necessary.

Material Accounting Policies

2

See accompanying notes to the Financial Statements

1 to 46

As per our report of even date attached

For and on behalf of the Board

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.: 311017E

CA VINOD KUMAR SINGHI
Partner
Membership No:050051

Date: 27th August, 2025
Place: Kolkata



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
Vasudha Agarwal
Company Secretary