

Financial Statements

Shyam Sel and Power Limited

Year ended 31 March 2024

Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

To the Members of **Shyam Sel and Power Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Shyam Sel and Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, profit, 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to note 47 to the Financial Statements of the Company in respect of:

- (a) The Scheme of Amalgamation ('the Scheme') between one of the Subsidiary Company, Shyam Sel & Power Limited ('SSEL') and SSEL's wholly owned subsidiary, namely Hrashva Storage and Warehousing Private Limited, having the scheme appointed date of April 1, 2022, as approved by Kolkata bench of the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated October 17, 2023. The accounting treatment pursuant to the Scheme has been given effect from April 1, 2022, in accordance with Appendix C to Ind AS 103 - Business Combinations ("Ind AS 103"), and accordingly, the comparative figures presented for the previous year ended March 31, 2023 have been restated to give effect to the aforesaid merger.
- (b) The Resolution Plan for acquisition and subsequent merger of Mittal Corp Limited with SSEL ('Resolution Plan'), having the appointed date February 17, 2023, as approved by Mumbai Bench of the Hon'ble NCLT vide its order dated October 18, 2023. The accounting treatment pursuant to the Resolution Plan has been given effect from the appointed date i.e. February 17, 2023, as



prescribed in the Resolution Plan, as per the requirements of General Circular No. 09/2019 issued by MCA dated August 21, 2019 and accordingly, the comparative figures presented for the previous year ended March 31, 2023 have been restated to give effect to the aforesaid merger.

- (c) The Scheme of Amalgamation between SSEL and its wholly owned subsidiary, namely Platinum Minmet Private Limited, having the appointed date of April 1, 2022, as approved by Kolkata Bench of the Hon'ble NCLT vide its order dated January 25, 2024. The accounting treatment pursuant to this scheme has been given effect from April 1, 2022, in accordance with Appendix C to Ind AS 103, and accordingly, the comparative figures presented for the previous year ended March 31, 2023 have been restated, to give effect to the aforesaid merger.

Our opinion is not modified in respect of these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, Chairman's Statement and Management Discussion and Analysis but does not include the standalone financial statements and our auditor's report thereon. The Director's Report, Chairman's Statement and Management Discussion and Analysis is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Director's Report, Chairman's Statement and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information' and describe actions applicable in the applicable laws and regulations.

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

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



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Other Matter

The financial statements of the Company for the year ended March 31, 2023, were audited by another auditor whose report dated May 24, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (h) (vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (h) (vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements - Refer note 37 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (A) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 49 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(B) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 49 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(C) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.



- vi. The Company has used two accounting softwares (SAP S4 HANA and Tally) for maintaining its books of account. Based on our examination, one of the softwares (SAP S4 HANA) has the feature of recording audit trail (edit log) facility, which was enabled, except in respect of certain relevant transactions at application level. Further, we were unable to verify whether the audit trail feature was enabled at the database level in respect of this software, to log any direct data changes. In respect of another accounting software (Tally) which was used for maintaining the books of account for the period from April 1, 2023 till October 31, 2023, in respect of a division acquired pursuant to a merger of another entity with the Company, we were unable to verify whether the audit trail feature was enabled in this software.

The audit trail facility, which was enabled at the application level, as reported above, has been operated for relevant transactions recorded throughout the year. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Dipak Jaiswal
Partner
Membership No. 063682
UDIN: 24063682BKATCU7197

Place: Kolkata
Date: May 13, 2024

Annexure A to the Independent Auditor's Report on even date on the Financial Statements of Shyam Sel and Power Limited

Auditor's Responsibilities for the Audit of the 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the 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.



MSKA & Associates

Chartered Accountants

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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Dipak Jaiswal
Partner
Membership No.063682
UDIN: 24063682BKATCU7197

Place: Kolkata
Date: May 13, 2024

Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report

- i. (a)(A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, plant and equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the financial statements, are held in the name of the Company, except for the following:

| Sr. No. | Description of Property | Gross carrying value (₹ in Crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held - Indicate range, where appropriate | Reason for not being held in name of Company (also indicate if in dispute) |
|---------|-------------------------|------------------------------------|---|--|---|---|
| 1 | Freehold land | 13.00 | Shyam Metalics Private Limited | No | 2006-2007 | For certain properties acquired through amalgamation/mergers in prior years, the Management is yet to get these transferred in the name of the Company. |
| 2 | Freehold land | 1.86 | Crongoods Supply Private Limited | No | 2011-2013 | |
| 3 | Freehold land | 5.31 | Gulmohar Complex Private Limited | No | 2014-2015 | |
| 4 | Freehold land | 15.17 | Shreepanchami Consultants Private Limited | No | 2010-2011 | |



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

| Sr. No. | Description of Property | Gross carrying value (₹ in Crores) | Held in the name of | Whether promoter, director or their relative or employee | Period held - Indicate range, where appropriate | Reason for not being held in name of Company (also indicate if in dispute) |
|---------|-------------------------|------------------------------------|---------------------------------|--|---|---|
| 5 | Freehold land | 11.01 | Shyam Sel Limited | No | 2006-2009 | Management is yet to get these transferred in the name of the Company. |
| 6 | Leasehold land | 0.26 | Mittal Corp Ltd | No | 2016 | For certain properties acquired through amalgamation/mergers in prior years, the Management is yet to get these transferred in the name of the Company. |
| 7 | Leasehold land | 1.20 | Mittal Corp Ltd | No | 2010 | |
| 8 | Leasehold Land | 24.42 | Platinum Minmet Private Limited | No | 2021 | |
| 9 | Leasehold Land (*) | 0.00 | Shyam Sel Limited | No | 2001-2003 | Management is yet to get these transferred in the name of the Company |

(*) 0.00 Figure represents value less than Rs. 1 Lakh.



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including right-of-use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- ii. (b) During the year the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks and financial institutions on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company for the quarter ended 30 June 2023, 30 September 2023 and 31 December 2023.

The Company has not filed quarterly returns / statements with such Banks for the quarter ended March 2024 as on the date of financial statements. Accordingly, we are unable to comment on the filing of returns/ statements for the said period and whether they are in agreement with books and accounts of the Company.

- iii. (a) According to the information explanation provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided security(ies) to other entities.

(A) The details of such loans, advances, guarantee or security(ies) to subsidiaries, Joint Venture Entities and Associates are as follows:

| | Guarantees (₹ in Crores) | Loans (₹ in Crores) |
|---|-----------------------------|------------------------|
| Aggregate amount granted/provided during the year | | |
| - Subsidiaries | 76.05 | 163.74 |
| Balance Outstanding as at balance sheet date in respect of above cases | 76.05 | 96.87 |
| - Subsidiaries | | |



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

During the year the Company has not provided security to any of its subsidiaries, Joint Ventures and Associates

(B) The details of such loans, advances, guarantee or security(ies) to parties other than Subsidiaries, Joint Venture Entities and Associates are as follows:

| | Guarantees (₹ in Crores) |
|---|-----------------------------|
| Aggregate amount granted/provided during the year | |
| - Others | 10.00 |
| Balance Outstanding as at balance sheet date in respect of above cases | |
| - Others | 10.00 |

During the year the Company has not provided security or advances in the nature of loans to any other entity.

- iii. (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 and terms and conditions in relation to grant of all loans are not prejudicial to the interest of the Company.
- iii. (c) The loans are repayable on demand. During the year, the Company has not demanded such loans or interest. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular (Refer reporting under clause 3(iii)(f) below).
- iii. (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans are repayable on demand and the Company has not demanded such loans.
- iii. (e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not been demanded by the Company during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.
- iii. (f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

| | All Parties | Promoters | Related Parties |
|---|-------------|-----------|-----------------|
| Aggregate amount of loans/ advances in nature of loans | | | |
| - Repayable on demand (A) | - | - | 96.87 |
| - Agreement does not specify any terms or period of repayment (B) | - | - | - |
| Total (A+B) | - | - | 96.87 |
| Percentage of loans/ advances in nature of loans to the total loans | 0% | 0% | 100% |

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, 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 other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

Undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears, which were outstanding, as at March 31, 2024, for a period of more than six months from the date they became payable, are as follows:

| Name of the statute | Nature of the dues | Amount ₹ in crores | Period to which the amount relates | Due Date | Date of Payment | Remarks, if any |
|---------------------------------------|--------------------|--------------------|------------------------------------|----------------|-----------------|-----------------|
| The Bengal Electricity Duty Act, 1935 | Electricity Duty | 38.26 | 2017-18 to 2023-24 | Multiple dates | Not paid | |

- vii. (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

| Name of the statute | Nature of dues | Amount Due ₹ in crores | Amount Paid ₹ in crores | Period to which the amount relates | Forum where dispute is pending | Remarks if any |
|--------------------------|----------------|------------------------|-------------------------|------------------------------------|-----------------------------------|----------------|
| The Income Tax Act, 1961 | Income tax | 9.73 | - | 2018-19 | Income Tax Appellate Tribunal | |
| | | 0.37 | - | 2020-21 | Commissioner of Income Tax Appeal | |
| | | 37.48 | - | 2021-22 | Commissioner of Income Tax Appeal | |



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

| | | | | | | |
|---|----------------|-------|------|---------------------|---|--|
| Central Goods and Service Tax Act, 2017 | GST | 1.83 | - | 2017-2018 & 2018-19 | Show Cause Notice issued by the Department | |
| | | 3.78 | - | 2017-2018 & 2018-19 | Show Cause Notice issued by the Department | |
| Central Sales Tax Act, 1956 | CST liability | 0.16 | - | 2009-2010 | Deputy Commissioner of Sales Tax | |
| Customs Act, 1962 | Custom Duty | 0.30 | - | 2013-14 | The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) | |
| | | 1.25 | 0.00 | 2016-17 | | |
| Central Excise Act, 1944 | Central Excise | 84.33 | 3.85 | 2009-10 to 2016-17 | Before Commissioner Appeal | |
| | | 1.73 | 0.13 | 2002-03 to 2004-05 | | |
| | | 0.04 | - | 2006-07 to 2010-11 | | |
| | | 7.11 | - | 2011-12 to 2014-15 | | Pending adjudication before Commissioner, Audit-II |
| | | 0.59 | 0.06 | 2011-12 to 2015-16 | | Before Commissioner |



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

| | | | | | | |
|---------------------------------------|---|------|------|----------------------|---|--|
| | | | | | Appeal, Siliguri | |
| | | 0.59 | 0.01 | 2017-18 | Before Commissioner Appeal, Siliguri | |
| | | 0.96 | 0.07 | 2020-21 | Before Commissioner Appeal, Siliguri | |
| Finance Act, 1994 | Service Tax | 2.09 | 0.08 | 2013-14 | Before Commissioner of Service Tax | |
| | | 0.41 | - | 2010-11 | Pending adjudication Before A.C. Asansol-I Division | |
| | | 0.14 | 0.01 | 2011-12 | The Customs, Excise and Service Tax Appellate Tribunal (CESTAT) | |
| | | 0.34 | 0.03 | 2017-18 | | |
| West Bengal Value Added Tax Act, 2003 | Enhancement of tax & disallowance of credit | 1.27 | - | 2005-2006 to 2008-09 | West Bengal Commercial Taxes Appellate and Revision Board | |



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 19 to the financial statements.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by 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. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

- xi. (a) Based on 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 report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- xi. (b) Based on 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- xi. (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We were unable to obtain some of the internal audit reports of the Company for the quarter ended 31 March 2024, and accordingly, the internal audit reports have been considered by us for the purpose of our audits only to the extent those were made available to us.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 42 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies Act, 2013 or to a Special Account as per the provisions of Section 135 of the Companies Act, 2013 read with schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.



Annexure B to Independent Auditors' Report of even date on the Financial Statements of Shyam Sel and Power Limited for the year ended 31 March 2024 (cont'd)

- xxi. According to the information and explanations given to us, the Company has opted not to prepare the Consolidated Financial Statement for the year ended March 31, 2024 (as disclosed in note 48 to the financial statements). Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Dipak Jaiswal
Partner
Membership No: 063682
UDIN: 24063682BKATCU7197

Place: Kolkata
Date: May 13, 2024

Annexure C to the Independent Auditor's Report of even date on the Financial Statements of Shyam Sel and Power Limited

Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Shyam Sel and Power Limited on the Financial Statements for the year ended March 31, 2024.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Shyam Sel and Power Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of



internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Dipak Jaiswal
Partner
Membership No.063682
UDIN: 24063682BKATCU7197

Place: Kolkata
Date: May 13, 2024

Shyam Sel and Power Limited

CIN: U27109WB1991PLC052962

Balance Sheet As at 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Notes No. | As at | |
|--|-----------|-----------------|-----------------|
| | | 31 March 2024 | 31 March 2023 |
| ASSETS | | | |
| Non-Current Assets | | | |
| a) Property, Plant and Equipment | 2A | 2,339.10 | 1,616.73 |
| b) Right-of-use assets | 2B | 42.65 | 43.74 |
| c) Capital work-in-progress | 3 | 1,620.23 | 1,148.19 |
| d) Intangible assets | 4 | 93.75 | 144.87 |
| e) Investments in subsidiaries, associates and joint ventures | 5 | 402.62 | 13.38 |
| f) Financial assets | | | |
| i) Investments | 6 | 25.79 | 152.77 |
| ii) Other financial assets | 7 | 0.02 | 14.76 |
| g) Non current tax assets (net) | 8 | 254.53 | 30.29 |
| h) Deferred tax assets (net) | 23 | 32.69 | 51.64 |
| i) Other non-current assets | 9 | 98.77 | 165.57 |
| Total non-current assets (A) | | 4,910.15 | 3,381.94 |
| Current Assets | | | |
| a) Inventories | 10 | 1,370.10 | 1,039.23 |
| b) Financial Assets | | | |
| i) Investments | 6 | 460.20 | 280.92 |
| ii) Trade receivables | 11 | 551.48 | 379.16 |
| iii) Cash and cash equivalents | 12 | 7.21 | 38.23 |
| iv) Bank balances other than (iii) above | 13 | 5.31 | 63.66 |
| v) Loans | 14 | 96.87 | 336.63 |
| vi) Other financial assets | 15 | 73.48 | 69.19 |
| c) Other current assets | 16 | 642.47 | 342.04 |
| Total current assets (B) | | 3,207.12 | 2,549.06 |
| Total Assets (A + B) | | 8,117.27 | 5,931.00 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity share capital | 17 | 44.13 | 44.13 |
| b) Other equity | 18 | 4,457.41 | 3,771.74 |
| Total Equity (A) | | 4,501.54 | 3,815.87 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19 | 255.16 | 128.10 |
| ii) Lease liabilities | 20 | 6.18 | 6.14 |
| iii) Other financial liabilities | 21 | 27.36 | 16.20 |
| b) Provisions | 22 | 10.77 | 7.85 |
| c) Other non-current liabilities | 24 | 0.23 | 0.29 |
| Total non-current liabilities (B) | | 299.70 | 158.58 |
| Current Liabilities | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 19 | 813.91 | 440.74 |
| ii) Lease liabilities | 20 | 0.55 | 0.55 |
| iii) Trade payables | 25 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | | 11.58 |
| (b) Total outstanding dues of other than micro enterprises and small enterprises | | 1,776.40 | 747.49 |
| iv) Other financial liabilities | 21 | 595.01 | 554.79 |
| b) Other current liabilities | 24 | 121.27 | 123.53 |
| c) Provisions | 22 | 5.20 | 1.67 |
| d) Current tax liabilities (net) | 26 | 3.69 | 76.20 |
| Total current liabilities (C) | | 3,316.03 | 1,956.55 |
| Total Equity and Liabilities (A + B + C) | | 8,117.27 | 5,931.00 |
| Material accounting policies | 1B | | |

The accompanying notes are an integral part of these financial Statements.

As per our report of even date attached.

For M S K A & Associates

Chartered Accountants

Firm Registration No. 105047W

Dipak Jaiswal

Partner

Membership No: 063682



For and on behalf of the Board of Directors

Brij Bhushan Agarwal
(Managing Director)
(DIN: 01125056)

Sanjay Kumar Agarwal
(Joint Managing Director)
(DIN: 00232938)



Abhishek Jalan
(Chief Financial Officer)

Chandan Sharma
(Company Secretary)
(MRN: A60653)

Place: Kolkata

Date: 13 May 2024

Place: Kolkata

Date: 13 May 2024

Shyam Sel and Power Limited

CIN: U27109WB1991PLC052962

Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Note No. | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|----------|-----------------------------|-----------------------------|
| INCOME | | | |
| I Revenue from operations | 27 | 7,609.00 | 7,082.56 |
| II Other income | 28 | 86.26 | 64.47 |
| III Total Income (I+II) | | 7,695.26 | 7,147.03 |
| IV EXPENSES | | | |
| Cost of materials consumed | 29 | 5,575.69 | 4,899.60 |
| Purchases of Stock-in-trade | | 61.05 | 120.96 |
| Changes in inventories of finished goods, traded goods and by-products | 30 | (136.47) | (116.25) |
| Employee benefits expense | 31 | 186.48 | 155.75 |
| Finance cost | 32 | 71.03 | 44.20 |
| Depreciation and amortisation expense | 33 | 426.57 | 237.71 |
| Other expenses | 34 | 980.37 | 1,016.04 |
| Total Expenses (IV) | | 7,164.72 | 6,358.01 |
| V Profit before exceptional items and tax (III-IV) | | 530.54 | 789.02 |
| VI Exceptional items | | - | 0.03 |
| VII Profit before tax | | 530.54 | 789.05 |
| VIII Tax expense: | 35 | | |
| (i) Current tax | | - | 213.26 |
| (ii) Prior year taxes | | (213.26) | - |
| (iii) Deferred tax charge / (credit) | | 18.73 | (18.16) |
| IX Profit for the year (VII-VIII) | | 725.07 | 593.95 |
| X Other comprehensive income | | | |
| (a) Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurements of the defined benefit plans | | (0.67) | 0.58 |
| (ii) Equity instruments at fair value through other comprehensive income | | (0.43) | (1.77) |
| (iii) Income tax relating to items that will not be reclassified to profit or loss | | 0.22 | 0.10 |
| Other comprehensive income for the year (Net of tax) | | (0.88) | (1.09) |
| XI Total comprehensive income for the year (IX+X) | | 724.19 | 592.86 |
| XII Earnings per Equity Share (Face value of ₹ 10 each) | 36 | | |
| (i) Basic (₹) | | 164.30 | 134.59 |
| (ii) Diluted (₹) | | 164.30 | 134.59 |
| Material accounting policies | 1B | | |

The accompanying notes are an integral part of these financial Statements.

As per our report of even date attached.

For M S K A R Associates

Chartered Accountants

Firm Registration No. 105047W

Dipak Jaiswal

Partner

Membership No: 063682

Place: Kolkata

Date: 13 May 2024

For and on behalf of the Board of Directors

Brij Bhushan Agarwal

(Managing Director)

(DIN: 01125056)

Abhishek Jalan

(Chief Financial Officer)

Place: Kolkata

Date: 13 May 2024

Sanjay Kumar Agarwal

(Joint Managing Director)

(DIN: 00232938)

Chandan Sharma

(Company Secretary)

(MRN: A60653)



Statement of Cash Flows for the year ended 31 March 2024
(All amounts in ₹ crores, unless specified otherwise)

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| A. Cash flow from operating activities: | | |
| Net profit before tax | 530.54 | 789.05 |
| Adjustments for: | | |
| Depreciation and amortization expenses | 426.57 | 237.71 |
| Balances written off | 0.48 | 0.05 |
| Dividend received | (1.08) | (0.72) |
| Unrealised foreign exchange fluctuations | (3.40) | 5.15 |
| Provisions written back | 8.03 | 0.26 |
| Net gain on fair value of investment | (28.99) | (3.82) |
| Mark-to-market (gain) / loss on forward contracts | 2.07 | (1.71) |
| Employee share-based compensation expense | 3.59 | - |
| Provision for employee benefit obligations | 5.59 | 1.65 |
| Provision for subsidy and incentive receivable | 16.66 | - |
| Provision for slow and non-moving items | 1.86 | - |
| (Profit)/Loss on sale of Investment | (5.13) | (10.16) |
| Interest income on financial assets | (35.34) | (45.76) |
| Finance Cost | 71.03 | 44.20 |
| Operating profit before working capital changes | 992.48 | 1,015.90 |
| Adjustments for : | | |
| Increase / (Decrease) in Liabilities: | | |
| Trade and other payables | 1,015.55 | 85.62 |
| Non-current financial liabilities | 11.16 | 6.18 |
| Current financial liabilities | 5.65 | 334.62 |
| Non-current provisions | (3.34) | 0.68 |
| Current provisions | 3.53 | 1.22 |
| Non-current liabilities | (0.06) | (0.06) |
| Other current liabilities | (2.26) | (58.82) |
| (Increase) / Decrease in Assets: | | |
| Trade Receivable | (178.37) | (105.78) |
| Inventories | (332.73) | (6.66) |
| Other non-current assets | 1.35 | 0.97 |
| Financial assets current and non current | (11.71) | 19.52 |
| Other current assets | (309.14) | 164.72 |
| Cash flow from operating activities before taxes | 1,192.11 | 1,458.11 |
| Direct taxes paid (net) | (83.41) | (154.69) |
| Net cash flow from operating activities (A) | 1,108.70 | 1,303.42 |
| B. Cash flow from investing activities: | | |
| Purchase of property, plant & equipment including capital work-in-progress (net) | (1,141.41) | (1,378.61) |
| (Purchase)/sale of investments in subsidiaries (net) | (389.24) | 4.93 |
| Investment redeemed from fixed deposits with banks | 67.15 | 68.82 |
| Purchase of current & non-current investments (net) | (18.60) | (90.84) |
| Payment made pursuant to acquisition of entity | (373.23) | - |
| Dividends received | 1.08 | 0.72 |
| Loans and advances recovered/ (given) | 239.76 | (126.33) |
| Interest received | 29.97 | 38.26 |
| Net cash used in investing activities (B) | (1,584.52) | (1,483.05) |
| C. Cash flow from financing activities: | | |
| Proceeds from non-current borrowings | 250.41 | 16.42 |
| Repayments of non-current borrowings | (40.65) | (17.79) |
| (Repayments of)/ proceeds from current borrowings | 289.60 | 210.67 |
| Payment of Lease Liabilities | 0.04 | 3.92 |
| Finance Cost paid | (54.60) | (40.47) |
| Net cash flow from financing activities (C) | 444.80 | 172.75 |
| Net decrease in cash & cash equivalents (A+B+C) | (31.02) | (6.88) |
| Cash and cash equivalents at the beginning of the year (Refer note 12) | 38.23 | 45.11 |
| Cash and cash equivalents on acquisition of subsidiaries (refer note 47) | - | 17.80 |
| Cash and cash equivalents at the end of the year (Refer note 12) | 7.21 | 38.23 |



(This space has been intentionally left blank)



Notes :

- (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements".
 (ii) Purchase of Property plant & equipment (net) includes movement pursuant to capital work-in-progress, capital advances and creditors for capital goods.
 (iii) Reconciliation of cash and cash equivalents as per the cash flow statement:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance with banks: | | |
| - Current account | 5.58 | 18.18 |
| - Cash credit account | | |
| Cash on hand | 0.62 | 0.60 |
| Fixed Deposits having original maturity of less than 3 months | 0.02 | 13.72 |
| Cheques on hand | 0.99 | 5.73 |
| Total cash and cash equivalents at end of the year | 7.21 | 38.23 |

- (iv) Reconciliation of movement of liabilities to cash flow arising from financing activities:
 Movement in borrowings

| Particulars - Reconciliation between opening & closing balances of borrowings | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Opening balance | 568.84 | 341.41 |
| Proceeds | 540.01 | 227.09 |
| Payments | 40.65 | 17.79 |
| Non-cash movements | 0.87 | 18.13 |
| Closing balance | 1,069.07 | 568.84 |

Note: For movements pertaining lease liabilities, please refer note 2B)

The accompanying notes are an integral part of these financial Statements.

As per our report of even date attached.

For and on behalf of the Board of Directors

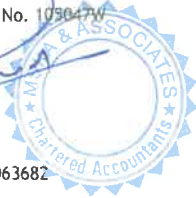
For M S K A & Associates

Chartered Accountants

Firm Registration No. 103047W

Dipak Jainwal
Partner

Membership No: 063682



Brij Bhushan Agarwal
(Managing Director)
(DIN: 01125056)

Sanjay Kumar Agarwal
(Joint Managing Director)
(DIN: 00232938)



Abhishek Jalan
(Chief Financial Officer)

Chandan Sharma
(Company Secretary)
(MRN: A60653)

Place: Kolkata
Date: 13 May 2024

Place: Kolkata
Date: 13 May 2024

A. Equity Share Capital

| Particulars | 31 March 2024 | | 31 March 2023 | |
|--|---------------|--------|---------------|--------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Equity shares of ₹ 10 each issued, subscribed and fully paid | | | | |
| Balance at the beginning of the year | 44,130,036 | 44.13 | 44,130,036 | 44.13 |
| Changes during the year | - | - | - | - |
| Balance at the end of the year | 44,130,036 | 44.13 | 44,130,036 | 44.13 |

B. Other equity (*)

| Particulars | Reserves and Surplus | | | | | | Equity Instruments through OCI | Total |
|--|----------------------|--------------------|-------------------|-----------------|---------------------|----------------------|--------------------------------|----------|
| | Capital Reserve | Securities premium | Retained earnings | General Reserve | Revaluation reserve | Amalgamation Reserve | | |
| Balance at 1 April, 2023 | 115.02 | 492.08 | 3,105.74 | 36.86 | - | 19.90 | 2.14 | 3,771.74 |
| Profit for the year | - | - | 725.07 | - | - | - | - | 725.07 |
| Acquisitions and business combinations during the year | (38.43) | - | - | - | - | - | - | (38.43) |
| Other comprehensive income: | | | | | | | | |
| - Remeasurements of the defined benefit plans (net of tax) | - | - | (0.54) | - | - | - | - | (0.54) |
| - Equity instruments at fair value through other comprehensive income (net of tax) | - | - | - | - | - | - | (0.43) | (0.43) |
| Balance at 31 March 2024 | 76.59 | 492.08 | 3,830.27 | 36.86 | - | 19.90 | 1.71 | 4,457.41 |
| Balance at 1 April, 2022 | 0.74 | 491.00 | 2,511.73 | 36.82 | - | 18.15 | 3.70 | 3,062.14 |
| Profit for the year | - | - | 593.95 | - | - | - | - | 593.95 |
| Acquisitions and business combinations during the year (refer note 47) | 114.28 | 1.08 | (0.41) | 0.04 | - | 1.75 | - | 116.74 |
| Other comprehensive income: | | | | | | | | |
| - Remeasurements of the defined benefit plans (net of tax) | - | - | 0.47 | - | - | - | - | 0.47 |
| - Equity instruments at fair value through other comprehensive income (net of tax) | - | - | - | - | - | - | (1.56) | (1.56) |
| Balance at 31 March 2023 | 115.02 | 492.08 | 3,105.74 | 36.86 | - | 19.90 | 2.14 | 3,771.74 |

(*) Refer note 18 for description of the nature and purpose of each reserve within Other equity

The accompanying notes are an integral part of these financial Statements.

As per our report of even date attached.

For M S K & Associates



Dipak Jaiswal
 Partner

Membership No: 0634824d

Place: Kolkata
 Date: 13 May 2024

For and on behalf of the Board of Directors

Brij Bhushan Agarwal
 (Managing Director)
 (DIN: 01125056)

Abhishek Jalan
 (Chief Financial Officer)

Place: Kolkata
 Date: 13 May 2024

Sanjay Kumar Agarwal
 (Joint Managing Director)
 (DIN: 00232938)

Chandan Sharma
 Chandan Sharma
 (Company Secretary)
 (MRN: A60653)



Shyam Sel and Power Limited

CIN: U27109WB1991PLC052962

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

1A Corporate Information

Shyam Sel and Power Limited (the "Company") is a wholly owned subsidiary company of Shyam Metals and Energy Limited. The Company is a public limited company domiciled in India and was incorporated in 2002 under the provisions of the Companies Act, 1956. Its registered and principal office of business is located at Kolkata, West Bengal. The Company is primarily engaged in the business of manufacturing iron and steel.

The Board of Directors approved the Financial Statements for the year ended 31 March 2024 on 13 May 2024.

1B Material accounting policies

(a) Basis of preparation of Financial Statements

(i) Statement of Compliance with Ind AS

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

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(ii) Basis of preparation and measurement

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

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

These financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

(iii) Classification between current and non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. 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 current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(iv) Use of estimates

The preparation of Financial Statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying Financial Statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the Financial Statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

(b) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.



1B Material accounting policies (cont'd)**(b) Property, plant and equipment (cont'd)****Depreciation methods, estimated useful lives**

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

| Property, plant and equipment | Useful Life |
|-------------------------------|---------------------------------|
| Leasehold improvement (*) | Over the contractual lease term |
| Buildings | 5 years to 60 years |
| Plant and Equipment | 5 years to 40 years |
| Furniture and Fixtures | 10 years |
| Vehicles | 8 years to 20 years |
| Office Equipment | 3 years to 10 years |

(*) Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

The residual values are not more than 5% of the original cost of the asset.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

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

(c) Other Intangible Assets

Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortised on a straight-line basis over their estimated useful lives.

| Intangible assets | Useful life |
|-------------------|------------------|
| Computer software | 3 years- 5 Years |
| Technology | 5 years |

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are not amortised. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

(d) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

(e) Foreign Currency Transactions**(i) Functional and presentation currency**

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



1B Material accounting policies (cont'd)

(f) Fair value measurement

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(g) Revenue from contract with customer

The Company manufactures and sells a range of iron & steel and other ferro alloy products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

The Company has objective evidence that all criterion for acceptance has been satisfied.

(i) Sale of goods

The majority of the Company's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has been transferred to the customer. This is generally when the goods are either dispatched or delivered to the customer, depending on the terms of the contract. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the group no longer has physical possession, usually will have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods in question.

Variable consideration:

The Company recognizes revenue from the sale of goods measured at the transaction price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Goods are often sold with volume and price discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume and price discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 30-90 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sales Return:

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale.

(ii) Sale of Services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

(iii) Other Operating Revenue

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 (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

Dividend Income

Dividend income is recorded when the right to receive payment is established.

Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.



1B Material accounting policies (cont'd)

(iv) Contract Balances

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 that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

Contract liability

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.

Trade Receivable

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(h) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Monetary Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non current assets and are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

(i) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(i) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year/period end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in Financial Statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(j) Business combination

Business Combination has been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Company. The cost of acquisition also includes fair value of any contingent considerations. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at the fair value on the date of acquisition. Transaction costs that the Company incurs in connection with a business combination are expensed as incurred.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interests method. The assets and liabilities of the combining entities are reflected at their carrying amounts and no adjustments are made to reflect their fair values or recognise any new assets or liabilities. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in capital reserve and presented separately from other capital reserves.

If the initial accounting for a business combination is incomplete by the end of reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amount recognised at that date.



1B Material accounting policies (cont'd)

(k) Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for long-term period. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(l) Inventories

Basis of Valuation

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Method of Valuation:

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and taxes as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis. Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Valuation of finished goods and traded goods are valued at cost or net realizable value whichever is less. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

(m) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

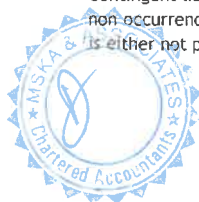
The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(n) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



1B Material accounting policies (cont'd)

(o) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

(p) Financial instruments

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

(i) Financial assets

(I) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(II) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.



1B Material accounting policies (cont'd)

(III) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(IV) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(ii) Financial liabilities

(I) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(II) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Borrowing Cost: Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(III) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(iii) Offsetting financial instruments

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



1B Material accounting policies (cont'd)

(q) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

(I) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(II) Defined benefit plans

Gratuity

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise. Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

(iii) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(r) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



1B Material accounting policies (cont'd)

(s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the Summary Statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

- i. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.
- ii. Expenses which relate to the Group as a whole and not allocable to segments are included under un-allocable expenditure.
- iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
- iv. Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.
- v. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.
- vi. Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

- (t) All amounts disclosed in Financial Statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

1C Significant accounting judgments, estimates and assumptions

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment, right-of-use assets and intangible assets

The Company reviews the useful life of property, plant and equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

(b) Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) Provisions and contingent liabilities

A provision is recognised when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

(d) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

(e) Fair value measurements of financial instruments

When the fair value 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 valuation techniques including Discounted Cash Flow Model. 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 risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(f) Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. 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 year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 38.

(g) Allocation of consideration over the fair value of assets and liabilities acquired in a business combination

Assets and liabilities acquired pursuant to business combination are stated at the fair values determined as of the date of acquisition. The carrying values of assets acquired are determined based on estimate of a valuation carried out by independent professional valuers appointed by the Company. The values have been assessed based on the technical estimates of useful lives of tangible assets and benefits expected from the use of intangible assets. Other assets and liabilities were recorded at values that were expected to be realised or settled respectively.



Shyam Sel and Power Limited

CIN: U27109WB1991PLC052962

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

1D New Standards, Interpretations and Amendments Adopted by the Company

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Further, the Ministry of Corporate Affairs had notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company has applied these amendments for the first-time in these financial statements.

(a) Amendments to Ind AS 8 - definition of accounting estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimate. The amendment had no impact on these financial statements.

(b) Amendments to Ind AS 1 - disclosure of accounting policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

(c) Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company had previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has now recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.



2A Property, plant and equipment

| Particulars | Gross Carrying Value | | | | Accumulated depreciation | | | | Net Carrying Value | |
|------------------------|----------------------|-----------------|------------------------|---------------------|--------------------------|---------------------|--|------------------------|---------------------|---------------------|
| | As at 01 April 2023 | Additions | Disposals/ Adjustments | As at 31 March 2024 | As at 01 April 2023 | Charge for the year | Acquisitions and business combinations during the year | Disposals/ Adjustments | As at 31 March 2024 | As at 31 March 2024 |
| Freehold Land | 178.78 | 5.73 | - | 184.51 | - | - | - | - | - | 184.51 |
| Buildings | 422.40 | 84.01 | - | 506.41 | 148.50 | 34.78 | - | - | 183.28 | 323.13 |
| Plant and Equipment | 2,091.90 | 1,001.96 | - | 3,093.86 | 931.88 | 337.19 | - | - | 1,269.07 | 1,824.79 |
| Furniture and Fixtures | 2.07 | 0.21 | - | 2.28 | 1.05 | 0.24 | - | - | 1.29 | 0.99 |
| Vehicles | 4.04 | 2.57 | - | 6.61 | 2.39 | 0.63 | - | - | 3.02 | 3.59 |
| Office Equipment | 3.96 | 1.51 | - | 5.47 | 2.60 | 0.78 | - | - | 3.38 | 2.09 |
| Total | 2,703.15 | 1,095.99 | - | 3,799.14 | 1,086.42 | 373.62 | - | - | 1,460.04 | 2,339.10 |

| Particulars | Gross Carrying Value | | | | Accumulated depreciation | | | | Net Carrying Value | |
|------------------------|----------------------|---------------|------------------------|---------------------|--------------------------|---------------------|--|------------------------|---------------------|---------------------|
| | As at 01 April 2022 | Additions | Disposals/ Adjustments | As at 31 March 2023 | As at 01 April 2022 | Charge for the year | Acquisitions and business combinations during the year | Disposals/ Adjustments | As at 31 March 2023 | As at 31 March 2023 |
| Freehold Land | 178.55 | 0.23 | - | 178.78 | - | - | - | - | - | 178.78 |
| Buildings | 348.27 | 19.75 | 54.38 | 422.40 | 121.33 | 24.73 | 2.44 | - | 148.50 | 273.90 |
| Plant and Equipment | 1,751.00 | 165.73 | 175.17 | 2,091.90 | 727.43 | 200.27 | 4.18 | - | 931.88 | 1,160.02 |
| Furniture and Fixtures | 1.27 | 0.66 | 0.14 | 2.07 | 0.98 | 0.07 | - | - | 1.05 | 1.02 |
| Vehicles | 2.68 | 1.26 | 0.10 | 4.04 | 1.89 | 0.50 | - | - | 2.39 | 1.65 |
| Office Equipment | 2.98 | 0.67 | 0.31 | 3.96 | 2.33 | 0.23 | 0.04 | - | 2.60 | 1.36 |
| Total | 2,284.75 | 188.30 | 230.10 | 2,703.15 | 853.96 | 225.80 | 6.66 | - | 1,086.42 | 1,616.73 |

Notes:

(a) Refer note 19 for information on property, plant and equipment pledged as security by the Company.

(b) Refer note 37 for details on contractual commitments for acquiring property, plant and equipment.

(c) Freehold land and Building are in the name of company except as follows:

| Description of Properties | Gross Carrying Value | | Whether title deed held in the name of relative/ employee of promoter or director | Property held (Years in Range) | Reason for not being held in the name of the Company | |
|---------------------------|----------------------|---------------------|---|--------------------------------|--|---|
| | As at 31 March 2024 | As at 31 March 2023 | | | | |
| Freehold Land | 13.00 | 13.00 | Shyam Metalics Private Limited | No | 2006-2007 | For certain properties acquired through amalgamation/mergers in prior years, the Management is yet to get these transferred in the name of the Company. |
| Freehold Land | 1.86 | 1.86 | Crongoods Supply Private Limited | No | 2011-2013 | |
| Freehold Land | 5.31 | 5.31 | Gulmohar Complex Private Limited | No | 2014-2015 | |
| Freehold Land | 15.17 | 15.17 | Shreepanchami Consultants Private | No | 2010-2011 | |
| Freehold Land | 11.01 | 11.01 | Shyam Sel Limited | No | 2006-2009 | The Management is yet to get these transferred in the name of the Company. |



2B Right-of-use assets

| Particulars | Gross carrying value | | | | Accumulated depreciation | | | | Net block | | |
|----------------|-----------------------|-----------|---|--------------------------|--------------------------|-----------------------|------------------------|---|---------------------------|------------------------|------------------------|
| | As at 1 April 2023 | Additions | Acquisitions and business combinations during the year | Disposals/ Adjustment | As at 31 March 2024 | As at 1 April 2023 | Charge for the year | Acquisitions and business combinations during the year | Disposals/ Adjustments | As at 31 March 2024 | As at 31 March 2024 |
| Leasehold Land | 46.36 | - | - | - | 46.36 | 2.62 | 1.09 | - | - | 3.71 | 42.65 |
| Total | 46.36 | - | - | - | 46.36 | 2.62 | 1.09 | - | - | 3.71 | 42.65 |
| Particulars | Gross carrying value | | | | Accumulated depreciation | | | | Net block | | |
| | As at 1 April 2022 | Additions | Acquisitions and business combinations during the year | Disposals/ Adjustment | As at 31 March 2023 | As at 1 April 2022 | Charge for the year | Acquisitions and business combinations during the year | Disposals/ Adjustments | As at 31 March 2023 | As at 31 March 2023 |
| Leasehold Land | 20.74 | - | 25.62 | - | 46.36 | 0.64 | 0.21 | 1.77 | - | 2.62 | 43.74 |
| Total | 20.74 | - | 25.62 | - | 46.36 | 0.64 | 0.21 | 1.77 | - | 2.62 | 43.74 |

Notes:

(a) The Company as a lessee has obtained certain assets such as immovable properties on various leasing arrangements for the purposes of carrying on various business operations. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-to-use asset and a lease liability. Variable lease payment which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Company has presented its right-of-use assets separately from other assets. Each lease generally imposes a restriction that unless there is a contractual right for the Company to sub-lease the asset to another party, the right-of-use asset can only be used by the Company. Some lease contain an option to extend the lease for a further term.

(b) Additional information on extension/ termination options: Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on consent of the Company.

(c) There are no leases which are yet to commence as on 31 March 2024 (31 March 2023: Nil).

(d) Lease payments, not included in measurement of liability: The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability is as follows:

(e) Total undiscounted future lease payments relating to underlying leases are as follows:

| Particulars | Gross carrying value | | | | Total |
|---------------------|----------------------|-----------|-----------|-------------------|-------|
| | Within 1 year | 1-2 years | 2-5 years | More than 5 years | |
| As at 31 March 2024 | 0.63 | 0.64 | 1.96 | 34.90 | 38.13 |
| As at 31 March 2023 | 0.63 | 0.63 | 1.94 | 35.56 | 38.76 |

(f) Leasehold land are in the name of Company except as follows:

| Description of Properties | Gross carrying value | | Whether title deed holder is a promoter, director or relative/ employee of promoter or director | Property held (Years in Range) | Reason for not being held in the name of the Company |
|---------------------------|------------------------|------------------------|---|--------------------------------|---|
| | As at 31 March 2024 | As at 31 March 2023 | | | |
| Leasehold Land | 0.26 | 0.26 | No | 2016 | For certain properties acquired through amalgamation/mergers in prior years, the Management is yet to get these transferred in the name of the Company. |
| Leasehold Land | 1.20 | 1.20 | No | 2010 | |
| Leasehold Land | 24.42 | 24.42 | No | 2021 | |
| Leasehold Land (*) | 0.00 | 0.00 | No | 2001-2003 | The Management is yet to get these transferred in the name of the Company. |

(*) Note: 0.00 Figure represents value less than ₹ 1 Lakh.



2B Right-of-use assets (cont'd)

(f) Amount recognised in the Balance Sheet:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------|------------------------|------------------------|
| (i) Right-of-use assets | | |
| Buildings | - | - |
| Land | 42.65 | 43.74 |
| | 42.65 | 43.74 |
| (ii) Lease liabilities | | |
| Non-current | 6.18 | 6.14 |
| Current | 0.55 | 0.55 |
| | 6.73 | 6.69 |

(g) Amount recognised in the Statement of Profit and Loss:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Depreciation and amortisation expense | 1.09 | 1.98 |
| Interest expense (included in finance cost) | 0.79 | 0.26 |
| Gain on cancellation of lease agreements | - | - |
| | 1.88 | 2.24 |

(h) Carrying value of Right-of-use assets:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Balance as at the beginning of the year | 43.74 | 20.10 |
| Additions during the year | - | 25.62 |
| Depreciation for the year | 1.09 | 1.98 |
| Balance as at the end of the year | 44.83 | 47.70 |

(i) Movement in lease liabilities:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Balance as at the beginning of the year | 6.69 | 2.77 |
| Additions during the year | - | 3.92 |
| Finance cost accrued during the year | 0.79 | 0.25 |
| Payment of Lease liabilities for the year | 0.75 | 0.25 |
| Balance as at the end of the year | 6.73 | 6.69 |

(j) Amount recognised in the Statement of cash flows:

Total cash outflow of leases including cash outflow for short term leases and leases of low value amounts to ₹ 21.05 crores (31 March 2023: ₹ 23.84 crores)

There is no significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when due.



3 Capital work-in-progress

| Particulars | As at 1 April 2023 | Additions during the year | Acquisitions and business combinations during the year | Capitalisation /Adjustments | As at 31 March 2024 |
|--------------------------|-----------------------|------------------------------|---|--------------------------------|------------------------|
| | | | | | |
| Capital work-in-progress | 1,148.19 | 1,229.97 | - | (757.93) | 1,620.23 |
| Total | 1,148.19 | 1,229.97 | - | (757.93) | 1,620.23 |
| Particulars | As at 1 April 2022 | Additions during the year | Acquisitions and business combinations during the year | Capitalisation /Adjustments | As at 31 March 2023 |
| Capital work-in-progress | 318.77 | 935.84 | 10.71 | (117.13) | 1,148.19 |
| Total | 318.77 | 935.84 | 10.71 | (117.13) | 1,148.19 |

Note - Borrowing costs capitalised during the year amounted to ₹ 46.47 Crore (31 March 2023: ₹ 1.93 Crore). The average capitalisation rate was 6.23% per annum.

B. Capital work-in-progress ageing schedule:

| Particulars | Amount in CWIP for a period of | | | | Total |
|---------------------------------------|--------------------------------|---------------|--------------|-------------------|-----------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31 March 2024 | | | | | |
| Projects in progress | 1,203.47 | 395.07 | 21.70 | - | 1,620.23 |
| Total Capital work-in-progress | 1,203.47 | 395.07 | 21.70 | - | 1,620.23 |
| As at 31 March 2023 | | | | | |
| Projects in progress | 946.55 | 201.64 | - | - | 1,148.19 |
| Total Capital work-in-progress | 946.55 | 201.64 | - | - | 1,148.19 |

Note - There are no projects which are overdue as on 31 March 2024 and 31 March 2023 respectively and no projects which have been temporarily suspended or has exceeded its budgeted cost in the current year and previous year.

4 Intangible assets

| Particulars | Gross Carrying Value | | | | Accumulated amortisation | | | | Net Carrying Value | |
|-----------------------|-----------------------|--|--|---------------------------|--------------------------|--|--|---------------------------|--------------------|------------------------|
| | As at 1 April 2023 | Additions | Acquisitions and business combinations during the year (refer note 47) | Disposals/ Adjustments | As at 31 March 2024 | Charge for the year | Acquisitions and business combinations during the year (refer note 47) | Disposals/ Adjustments | | As at 31 March 2024 |
| Software | 2.32 | 0.74 | - | - | 3.06 | 0.38 | - | - | 1.65 | 1.41 |
| Technology (*) | 146.70 | - | - | - | 146.70 | 51.48 | - | - | 54.36 | 92.34 |
| Total | 149.02 | 0.74 | - | - | 149.76 | 51.86 | - | - | 56.01 | 93.75 |
| Particulars | Gross Carrying Value | | | | Accumulated amortisation | | | | Net Carrying Value | |
| As at 1 April 2022 | Additions | Acquisitions and business combinations during the year (refer note 47) | Disposals/ Adjustment | As at 31 March 2023 | Charge for the year | Acquisitions and business combinations during the year (refer note 47) | Disposals/ Adjustment | As at 31 March 2023 | | As at 31 March 2023 |
| Software | 2.32 | - | - | 2.32 | 0.39 | - | - | 1.27 | 1.05 | |
| Technology (*) | - | - | 146.70 | 146.70 | 2.88 | - | - | 2.88 | 143.82 | |
| Total | 2.32 | - | 146.70 | 149.02 | 3.27 | - | - | 4.15 | 144.87 | |

(*) Refer note 47 for details on intangibles acquired pursuant to the acquisition and business combinations.



5 Investments in Subsidiaries, Associates and Joint ventures

| Particulars | Face Value (₹) | Number of shares | | Amount | |
|--|----------------|------------------------|------------------------|------------------------|------------------------|
| | | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2024 | As at 31 March 2023 |
| Investment in equity instruments - unquoted - measured at cost | | | | | |
| Investment in Subsidiaries | | | | | |
| Shyam Energy Limited | 10 | 1,693,750 | 1,693,750 | 1.62 | 1.62 |
| Shree Venkateshwara Electrocast Private Limited | 10 | 1,687,083 | 1,687,083 | 1.69 | 1.69 |
| Meadow Housing Private Limited | 10 | 750,000 | 750,000 | 0.75 | 0.75 |
| Taurus Estates Private Limited [refer note (a)] | 10 | - | 750,000 | - | 0.75 |
| Whispering Developers Private Limited | 10 | 500,000 | 500,000 | 0.50 | 0.50 |
| Nirjhar Commodities Private Limited | 10 | 5,100 | 5,100 | 0.01 | 0.01 |
| Shree Sikhar Iron & Steel Private Limited | 10 | 575,000 | 575,000 | 6.33 | 6.33 |
| Shyam Metalics Flat Product Private Limited | 10 | 10,000 | 10,000 | 0.01 | 0.01 |
| SS Natural Resources Private Limited | 10 | 366,000 | 366,000 | 0.37 | 0.37 |
| | | | | 11.28 | 12.04 |
| Investments in Associates | | | | | |
| Kolhan Complex Private Limited | 10 | 133,400 | 133,400 | 1.20 | 1.20 |
| | | | | 1.20 | 1.20 |
| Investment in Joint Venture | | | | | |
| Kalinga Energy & Power Limited | 10 | 125,000 | 125,000 | 0.13 | 0.13 |
| Karo River Pellets Private Limited | 10 | 5,000 | 5,000 | 0.01 | 0.01 |
| | | | | 0.14 | 0.14 |
| Investment in Optionally Convertible Debentures - unquoted - measured at cost | | | | | |
| Investment in step-down subsidiary | | | | | |
| Ramsarup Industries Limited [refer note (b)] | 10 | 390,000,000 | - | 390.00 | - |
| | | | | 390.00 | - |
| | | | | 402.62 | 13.38 |

Notes:

(a) The Company has sold its investment in Taurus Estates Private Limited w.e.f. 31 March 2024 for a consideration of ₹ 0.75 crores.

(b) The Company has made investments in its step-down subsidiary, Ramsarup Industries Limited ("Issuer Company") towards 0% Optionally Convertible Debentures. These debentures are convertible at the option of the Issuer Company in whole or part of the outstanding amount in relation to the OCDs to fully paid up equity shares of the Issuer Company after expiry of 2 years, but before completion of period of 10 years from the date of allotment. Further, if not converted, these debentures are redeemable at the option of the Issuer Company in whole or part of the outstanding amount in relation to the OCDs after expiry of 2 years, at premium of 9.11% p.a. IRR or such higher amount as the Board of the Issuer Company may decide within a period of 30 days from the date of exercise of option but before completion of period of 10 years from the date of allotment.

(c) Details of Subsidiaries, Associates and Joint Ventures in accordance with Ind AS 112 "Disclosure of interests in other entities":

| Name of the Company | Country of Incorporation | Proportion of ownership voting rights held by the Company | |
|---|--------------------------|---|------------------------|
| | | As at 31 March 2024 | As at 31 March 2023 |
| Subsidiaries | | | |
| Shyam Energy Limited | India | 86.46% | 86.46% |
| Shree Venkateshwara Electrocast Private Limited | India | 90.00% | 90.00% |
| Meadow Housing Private Limited | India | 71.43% | 71.43% |
| Taurus Estates Private Limited | India | 0.00% | 89.29% |
| Whispering Developers Private Limited | India | 67.57% | 67.57% |
| Nirjhar Commodities Private Limited | India | 51.00% | 51.00% |
| Shree Sikhar Iron & Steel Private Limited | India | 99.91% | 99.91% |
| Shyam Metalics Flat Product Private Limited | India | 100.00% | 100.00% |
| SS Natural Resources Private Limited | India | 60.00% | 60.00% |
| Associates | | | |
| Kolhan Complex Private Limited | India | 41.28% | 41.28% |
| Joint venture | | | |
| Kalinga Energy & Power Limited | India | 50.00% | 50.00% |
| Karo River Pellets Private Limited | India | 50.00% | 50.00% |



Shyam Sel and Power Limited

CIN: U27109WB1991PLC052962

Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

6 Investments

(a) Non-current investments

| Particulars | Face Value (₹) | Number of units | | Amount | |
|--|----------------|-----------------|---------------|---------------|---------------|
| | | As at | As at | As at | As at |
| | | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| (i) Investments in Bonds and Debentures | | | | | |
| <i>(Unquoted, measured at fair value through profit or loss)</i> | | | | | |
| Vivriti Capital Private Limited BR | 1,000,000 | - | 250 | - | 25.38 |
| SK Finance MLD November 2024 | 1,000,000 | - | 90 | - | 9.04 |
| M G M Consulting Services Private Limited | 1,000,000 | - | 250 | - | 25.00 |
| Avanse Financial Services Limited | 1,000,000 | - | 250 | - | 25.83 |
| Sovereign Gold Bond | - | - | - | - | 0.09 |
| | | | | - | 85.34 |
| <i>(Quoted, measured at fair value through profit or loss)</i> | | | | | |
| 7.72% SBI Perp Call 03.09.2026 Tier I | 10,000,000 | - | 18 | - | 18.29 |
| IIFL Wealth Prime Ltd SR EC24 | 100,000 | - | 900 | - | 10.40 |
| 8.12% REC Tax Free Bonds | 1,000 | 50,000 | 50,000 | 5.85 | 6.05 |
| 8.50% SBI Perpetual Bond | 1,000,000 | - | 50 | - | 5.16 |
| 7.75% State Bank Of India Perpetual | 10,000,000 | - | 18 | - | 18.18 |
| 7.26% Government of India Bonds | 100 | 1,000,000 | - | 10.22 | - |
| 7.18% Indian Renewable Energy Development Agency Limited | 1,000,000 | 90 | 90 | 9.69 | 9.32 |
| | | | | 25.76 | 67.40 |
| (ii) Investment in Government Securities | | | | | |
| <i>(Unquoted, carried at amortised cost)</i> | | | | | |
| National Saving Certificate (VII Issue) | | | | 0.03 | 0.03 |
| | | | | 0.03 | 0.03 |
| | | | | 25.79 | 152.77 |

Notes:

(i) Details of corporate guarantees of the Company executed in favour of:

| Name of the entity | Name of the Bank in whose favour guarantee has been executed | Amount | |
|---|--|---------------|---------------|
| | | As at | As at |
| | | 31 March 2024 | 31 March 2023 |
| Shree Venkateshwara Electrocast Private Limited | IDFC First Bank Limited | 25.00 | 25.00 |
| Shree Venkateshwara Electrocast Private Limited | Axis Bank Limited | 40.00 | 40.00 |
| Nirjhar Commodities Private Limited | ICICI Bank Limited | - | 50.00 |
| Nirjhar Commodities Private Limited | Axis Bank Limited | - | 50.00 |
| Shyam Metals Flat Product Private Limited | Axis Bank Limited | 25.05 | - |
| Shyam Solar Appliance Private Limited | ICICI Bank Limited | - | 50.00 |
| Meadow Housing Private Limited | ICICI Bank Limited | 26.00 | - |
| Andhra Minmet Private Limited | ICICI Bank Limited | 5.00 | - |
| Glowing Realty Private Limited | ICICI Bank Limited | 5.00 | 5.00 |



6 Investments (cont'd)

(b) Current investments

| Particulars | Face Value (₹) | Number of units | | Amount | |
|---|----------------|-----------------|---------------|---------------|---------------|
| | | As at | As at | As at | As at |
| | | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| (i) Investment in equity shares (Quoted, measured at fair value through Other Comprehensive income) | | | | | |
| Bajaj Finance Limited | 2 | 6,547 | 6,547 | 4.74 | 3.68 |
| Brookfield India Real Estate Trust REIT | - | 58,400 | 58,400 | 1.49 | 1.63 |
| Powergrid Infrastructure Investment Trust | - | 541,200 | 541,200 | 5.13 | 6.63 |
| | | | | 11.36 | 11.94 |
| (ii) Investments in Bonds and Debentures (Unquoted, measured at amortised cost) | | | | | |
| M G M Consulting Services Private Limited | 1,000,000 | 250 | - | 25.00 | - |
| Stelis Biopharma Limited (NCDs) | 100,000 | 2,500 | - | 28.06 | - |
| | | | | 53.06 | - |
| <i>(Unquoted, measured at fair value through profit or loss)</i> | | | | | |
| Miraya Reality Private Limited (NCDs) | - | - | 56 | - | 0.40 |
| Miraya Reality Private Limited (NCDs) | - | - | 94 | - | 0.73 |
| Genie Commercial Ventures Private Limited | - | - | 82 | - | 0.39 |
| Liquid Gold (Series 4) | - | - | 500 | - | 3.46 |
| | | | | - | 4.98 |
| <i>(Quoted, measured at fair value through profit or loss)</i> | | | | | |
| 8.41% NTPC Tax Free 2023 | 1,000 | - | 100,000 | - | 10.53 |
| 8.41% India Infrastructure Finance Co. Ltd Tax Free Bonds | 1,000 | - | 150,000 | - | 15.35 |
| | | | | - | 25.88 |
| (iii) Investment in Mutual Funds and AIFs (Quoted, measured at fair value through profit or loss) | | | | | |
| Edelweiss Real Estate Opportunities Fund | 10,000 | 5,963 | 10,791 | 7.52 | 12.86 |
| Kotak Liquid Direct Plan Growth | - | - | - | - | - |
| Alpha Alternatives Msar LLP | 100 | 1,799,910 | 1,799,910 | 20.10 | 19.40 |
| ICICI Prudential Equity Arbitrage Fund - Direct Plan - Dividend | - | 7,544,173 | - | 25.26 | - |
| Edelweiss Crossover Opportunities Fund | - | - | 99,598 | - | 0.32 |
| Nippon India ETF Nifty SDL (Apr 2026) | - | 4,500,000 | 4,500,000 | 53.91 | 50.13 |
| 360 One Large Value Fund - Series 14 | 10 | 34,016,533 | - | 39.14 | - |
| 360 One Income Opportunities Fund - Series 6 | 10 | 29,998,500 | - | 30.47 | - |
| SBI Fixed Maturity Plan - Direct - Growth (SR 52) | - | 8,999,550 | 8,999,550 | 10.17 | 9.47 |
| Embassy Office Parks ReIT (Sr. I) | - | 1,050,000 | 1,050,000 | 38.81 | 32.42 |
| Welspun One Logistics Parks Fund 2 | 100,000 | 810 | - | 8.10 | - |
| 360 One Income Opportunities Fund Series 4 | 10 | 41,497,925 | 12,499,375 | 46.65 | 13.04 |
| Aditya Birla Sun Life Liquid Fund | - | 11,902 | - | 0.46 | - |
| ABSL Nifty SDL PSU Bond - Direct - Growth (Sep 2026) | - | 83,882,132 | 83,882,132 | 94.35 | 87.98 |
| Neo Special Credit Opportunities | 10,000 | 20,000 | 12,500 | 20.84 | 12.50 |
| | | | | 395.78 | 238.12 |
| | | | | 460.20 | 280.92 |

Additional notes:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Aggregate book value of quoted investments | 432.90 | 343.34 |
| Aggregate book value of unquoted investments | 53.09 | 90.35 |
| Aggregate amount of impairment in value of investments, if any | - | - |
| Aggregate market value of quoted investments | 432.90 | 343.34 |

Notes:

(a) Investments at fair value through OCI (fully paid) reflect investment in quoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Company. Thus disclosing their fair value fluctuation in profit and loss will not reflect the purpose of holding.

(b) A description of the Company's financial instrument risks along with the methods used to measure the financial assets, including risk management objectives and policies are given in Note 40.

(c) There were no impairment in investments for the year ending 31 March 2024 (31 March 2023 - Nil).



7 Other financial assets (Non-current)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| <i>Unsecured, considered good</i> | | |
| Bank deposits having remaining maturity of more than 12 months as on date | 0.02 | 8.82 |
| Security deposits | - | 5.94 |
| Total | 0.02 | 14.76 |

Notes:

(a) Fixed Deposits amounting to ₹ 0.02 Crores (31 March 2023 : ₹ 8.16 Crores) are held as margin money.

8 Non-current tax assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Advance tax (net of provisions amounting to ₹ 0.19 Crore (31 March 2023: ₹ 0.19 Crore) | 254.53 | 30.29 |
| Total | 254.53 | 30.29 |

9 Other non-current assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| <i>Unsecured, considered good</i> | | |
| Capital advances | 94.31 | 159.76 |
| Deposits against demands under dispute | 4.36 | 5.64 |
| Balances with Government and Statutory Authorities | - | 0.02 |
| Prepaid expenses | 0.10 | 0.15 |
| Total | 98.77 | 165.57 |

10 Inventories

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| <i>Valued at lower of cost and net realisable value</i> | | |
| Raw materials | 833.51 | 682.83 |
| Finished goods | 326.08 | 276.70 |
| Stores and spares | 96.63 | 52.21 |
| Fuel | 2.34 | 1.19 |
| Stock-in-trade | 4.22 | 2.90 |
| By-products | 109.18 | 23.40 |
| Less: Provision for slow and non-moving items | (1.86) | - |
| Total | 1,370.10 | 1,039.23 |
| <i>Included above, goods-in-transit</i> | | |
| Raw materials | 82.06 | 21.19 |
| Finished goods | 17.93 | - |
| Total | 99.99 | 21.19 |

Notes:

(a) For details on inventories hypothecated to banks against working capital facilities refer note 19.

(b) During the year ended 31 March 2024, ₹ 0.83 crores (31 March 2023: ₹ Nil) was recognized as expense for inventories recognized at net realizable value.



11 Trade receivables

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Trade receivables considered good (Secured) | 176.00 | 144.48 |
| Trade receivables considered good (Unsecured) | 375.48 | 232.21 |
| Trade receivables - credit impaired | 8.44 | 2.88 |
| | 559.92 | 379.57 |
| Less: Allowances for credit losses | (8.44) | (0.41) |
| Total | 551.48 | 379.16 |

(a) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

(b) For trade receivable outstanding from related party (refer note 39)

(c) There are no trade or other receivable which are either due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due

(d) For trade receivable ageing refer below:

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|--|--|--------------------|--------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at 31 March 2024: | | | | | | | |
| Undisputed: | | | | | | | |
| - Considered Good | - | 499.81 | 48.29 | - | - | - | 548.10 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit Impaired | - | - | - | 5.15 | 3.29 | - | 8.44 |
| Disputed: | | | | | | | |
| - Considered Good | - | 0.31 | 0.96 | 0.40 | 1.71 | - | 3.38 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit Impaired | - | - | - | - | - | - | - |
| Total (A) | - | 500.12 | 49.25 | 5.55 | 5.00 | - | 559.92 |
| Less: Allowance for expected credit loss | - | - | 0.44 | 4.16 | 3.84 | - | 8.44 |
| Less: Allowance for credit impairment | - | - | - | - | - | - | - |
| Total (B) | - | - | 0.44 | 4.16 | 3.84 | - | 8.44 |
| Total (A-B) | - | 500.12 | 48.81 | 1.39 | 1.16 | - | 551.48 |
| As at 31 March 2023: | | | | | | | |
| Undisputed: | | | | | | | |
| - Considered Good | 72.56 | 282.50 | 21.63 | - | - | - | 376.69 |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit Impaired | - | - | - | 2.28 | 0.60 | - | 2.88 |
| Disputed: | | | | | | | |
| - Considered Good | - | - | - | - | - | - | - |
| - Significant increase in credit risk | - | - | - | - | - | - | - |
| - Credit Impaired | - | - | - | - | - | - | - |
| Total (A) | 72.56 | 282.50 | 21.63 | 2.28 | 0.60 | - | 379.57 |
| Less: Allowance for expected credit loss | - | - | - | - | 0.41 | - | 0.41 |
| Less: Allowance for credit impairment | - | - | - | - | - | - | - |
| Total (B) | - | - | - | - | 0.41 | - | 0.41 |
| Total (A-B) | 72.56 | 282.50 | 21.63 | 2.28 | 0.19 | - | 379.16 |

12 Cash and cash equivalents

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Balance with banks: | | |
| - Current account | 2.72 | 3.51 |
| - Cash credit account | 2.86 | 14.67 |
| Cheques on Hand | 0.99 | 5.73 |
| Cash on hand | 0.62 | 0.60 |
| Fixed Deposits having original maturity of less than 3 months | 0.02 | 13.72 |
| Total | 7.21 | 38.23 |

13 Other Bank Balances

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Fixed Deposits having remaining maturity of less than 3 months | 0.52 | 0.52 |
| Fixed Deposits having maturity for more than 3 months but less than 12 months | 4.79 | 63.14 |
| Total | 5.31 | 63.66 |

Notes:

(a) Fixed Deposits amounting to ₹ 5.31 Crores (31 March 2023: ₹ 63.66 crores) are held as margin money



14 Loans

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| <i>(Unsecured, considered good)</i> | | |
| Loans to related parties (refer note 39) | 96.87 | 336.63 |
| Total | 96.87 | 336.63 |

15 Other financial assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| <i>(Unsecured, considered good except otherwise stated)</i> | | |
| Security deposits | 18.09 | 2.53 |
| Earnest money deposits | 0.06 | 0.10 |
| Interest accrued and due on fixed deposits | 0.30 | - |
| Interest accrued on Bonds | - | 5.93 |
| Interest accrued on Loans | 15.23 | 4.23 |
| Mark-to-market impact on forward contract | - | 1.71 |
| Subsidy and incentive receivable [refer note (a) below] | 56.46 | 54.69 |
| Less: Provision for subsidy and incentive receivable | (16.66) | - |
| Total | 73.48 | 69.19 |

Notes:

(a) The Company has an outstanding litigation with respect to claims receivable from Government of West Bengal under its erstwhile subsidy schemes. In the current year, considering the lapse of time and uncertainty about the timing of the recovery of the incentive amounts, the Company, on a conservative basis has recorded a provision for time value of money amounting to ₹ 16.66 crores determined based on the Expected Credit Loss methodology as per Ind AS 109 'Financial Instruments'.

16 Other current assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| <i>(Unsecured, considered good except otherwise stated)</i> | | |
| Advances other than capital advances: | | |
| - Advances against goods and services | 564.08 | 319.11 |
| Prepaid expenses | 5.85 | 2.21 |
| Advances to employees | 1.90 | 1.20 |
| Balances with statutory authorities | 70.64 | 19.52 |
| Total | 642.47 | 342.04 |



17 Equity Share Capital

a) Authorised

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Authorised Capital | | |
| 1,50,43,10,010 (March 31, 2023 - 6,00,00,000) Equity Shares of ₹ 10 each | 1,504.31 | 60.00 |
| Total | 1,504.31 | 60.00 |

b) Issued, subscribed and paid-up Share Capital

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Issued, subscribed and fully paid-up Capital | | |
| 44,130,036 (31 March 2023 - 44,130,036) equity shares of ₹ 10 each | 44.13 | 44.13 |
| Total | 44.13 | 44.13 |

c) Reconciliation of equity shares outstanding at the end of the reporting period

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|--|---------------------|-------------|---------------------|-------------|
| | No. of shares | ₹ in Crores | No. of shares | ₹ in Crores |
| Equity shares at the beginning of the year | 44,130,036 | 44.13 | 44,130,036 | 44.13 |
| Add: Shares issued during the year | - | - | - | - |
| Equity shares at the end of the year | 44,130,036 | 44.13 | 44,130,036 | 44.13 |

d) Rights/preferences/restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Particulars of shareholders holding more than 5% shares of a class of shares

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|------------------|-------------------|------------------|-------------------|
| | Number of shares | % of shareholding | Number of shares | % of shareholding |
| Equity shares of ₹ 10 each fully paid up, held by: Shyam Metalics & Energy Limited | 44,130,036 | 100.00% | 44,130,036 | 100.00% |

f) Particulars of shares held by holding Company:

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|------------------|-------------------|------------------|-------------------|
| | Number of shares | % of shareholding | Number of shares | % of shareholding |
| Equity shares of ₹ 10 each fully paid up, held by: Shyam Metalics & Energy Limited | 44,130,036 | 100.00% | 44,130,036 | 100.00% |

g) Shareholding of promoters are as follows:

| Name of the Promoter / Promoter Group | As at 31 March 2024 | | | As at 31 March 2023 | | |
|--|---------------------|-------------------|--------------------------|---------------------|-------------------|--------------------------|
| | No. of Shares | % of total shares | % change during the year | No of Shares | % of total shares | % change during the year |
| Promoters: Shyam Metalics & Energy Limited | 44,130,036 | 100.00% | 0.00% | 44,130,036 | 100.00% | 0.00% |

(h) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(i) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



18 Other equity

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Reserves and surplus | | |
| - Capital Reserve | 76.59 | 115.02 |
| - Securities premium | 492.08 | 492.08 |
| - Retained Earnings | 3,830.27 | 3,105.74 |
| - General reserves | 36.86 | 36.86 |
| - Amalgamation reserves | 19.90 | 19.90 |
| Other comprehensive income | | |
| - Equity instruments through other comprehensive income (OCI) | 1.71 | 2.14 |
| Total | 4,457.41 | 3,771.74 |

Notes:

(a) **Capital Reserve:** Capital reserve has been created to set aside gains of capital nature from business combinations and mergers. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 115.02 | 0.74 |
| Movement on account of acquisitions and business combinations during the year (refer note 47) | (38.43) | 114.28 |
| Balance as at the end of the year | 76.59 | 115.02 |

(c) **Security premium:** Security premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Companies Act, 2013. Movement for the year is as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 492.08 | 491.00 |
| Movement on account of acquisitions and business combinations during the year (refer note 47) | - | 1.08 |
| Balance as at the end of the year | 492.08 | 492.08 |

(c) **Retained earnings:** Retained earnings represents the profits earned by the Company till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Movement for the year is as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 3,105.74 | 2,511.73 |
| Add: Profit for the year | 725.07 | 593.95 |
| Movement on account of acquisitions and business combinations during the year (refer note 47) | - | (0.41) |
| Add: Other comprehensive income for the year (net of taxes) | (0.54) | 0.47 |
| Balance as at the end of the year | 3,830.27 | 3,105.74 |

(d) **General reserves:** General Reserve is created from time to time by way of transfer of profits for appropriation purposes. General Reserve is created by a transfer from one component of equity to another and is not an item of other Comprehensive income. Movement for the year is as follows:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 36.86 | 36.82 |
| Movement on account of acquisitions and business combinations during the year (refer note 47) | - | 0.04 |
| Balance as at the end of the year | 36.86 | 36.86 |

(e) **Amalgamation reserves:** Amalgamation reserves represents reserve created on account of Companies amalgamated during prior years.

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 19.90 | 18.15 |
| Movement on account of acquisitions and business combinations during the year (refer note 47) | - | 1.75 |
| Balance as at the end of the year | 19.90 | 19.90 |

(f) **Equity instruments through OCI:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | 2.14 | 3.70 |
| Add: Fair value changes to investments in equity instruments (net of taxes) | (0.43) | (1.56) |
| Balance as at the end of the year | 1.71 | 2.14 |



19 Borrowings

(A) Non-current borrowings

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Secured | | |
| Indian Rupee loan [refer note (a) below] | 229.17 | - |
| Foreign currency loan [refer note (b) below] | 128.41 | 147.16 |
| Hire purchase finance [refer note (c) below] | 0.98 | 0.77 |
| | 358.56 | 147.93 |
| Less: Current maturities of non-current borrowings | (103.40) | (19.83) |
| Total | 255.16 | 128.10 |

(B) Current borrowings

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Secured | | |
| From Banks: | | |
| (Repayable on demand) | | |
| - Working capital - Demand Loan [refer note (d), (e) & (f) below] | 110.00 | 407.00 |
| - Cash Credit [refer note (d), (e) & (f) below] | 3.51 | 3.91 |
| Unsecured loans | 597.00 | 10.00 |
| Current maturities of non-current borrowings | 103.40 | 19.83 |
| Total | 813.91 | 440.74 |

Notes:

Repayment terms and security disclosure for the outstanding borrowings (including current maturities) as on 31 March 2024:

(a) Indian Rupee Loan from banks:

| Name of Bank | Type of Loan | Outstanding amounts | | Repayment Schedule | Security |
|--------------|--------------|------------------------|------------------------|--|--|
| | | As at 31 March 2024 | As at 31 March 2023 | | |
| HDFC Bank | Term Loan | 229.17 | - | HDFC Term Loan of ₹ 250 crores is repayable in equal quarterly instalments starting from 31st January 2024 and ending on 31st October 2026. It carries a rate of interest of 7.75% p.a. which is repayable on a monthly basis. | Immovable Fixed Asset - Factory Land & Building situated at Industrial Growth Centre, Pithampur, District Dhar Plant, Madhya Pradesh. Movable Fixed Asset - Plant and Machinery situated at Industrial Growth Centre, Pithampur, District Dhar Plant, Madhya Pradesh. |
| Total | | 229.17 | - | | |

(b) Foreign Currency Loan from banks:

| Name of Bank | Type of Loan | Loan Amount | | Repayment Schedule | Security, Pre-payment and Penalty |
|---------------------------------------|--------------------------------|------------------------|------------------------|--|---|
| | | As at 31 March 2024 | As at 31 March 2023 | | |
| Oldenburgische Landesbank AG, Germany | External commercial borrowings | 128.41 | 147.16 | External Commercial Borrowings of EURO 1.86 crores has been sanctioned out of which Euro 1.64 crores has been disbursed until 31 March 2024 (31 March 2023: EURO 1.64 Crores). The loan is repayable in 15 (equal) half-yearly instalments, commencing from 30 June 2023 till 30 June 2030 | Exclusive charge on the property, plant & equipments imported by utilising this loan. |
| Total | | 128.41 | 147.16 | | |



19 Borrowings

(c) Hire Purchase loans are repayable in monthly instalments and secured by assets purchased there again.

(d) Cash credit facilities from banks carry interest ranging between 6.70% p.a. - 9.08% p.a. (31 March 2023 : 6.70% p.a. - 9.05% p.a.), computed on a daily basis on the actual amount utilised, and are repayable on demand. These are secured by way of hypothecation of the Company's entire current assets (excluding investments) and further secured by second charge on property, plant and equipments of the Company.

(e) Working capital demand loan has been availed from banks for financing of the working capital requirement for a period of 60 - 90 days. The rate of interest on these facilities ranges between 7.00% p.a. - 7.35% p.a. (31 March 2023: 7.25% p.a. - 7.40% p.a.), fixed and shall be payable at monthly rest on the first day of the subsequent month/maturity, wherever applicable. These are secured by way of hypothecation of the Company's entire current assets (excluding investments) and further secured by second charge on fixed assets of the Company.

(f) Security details:

Primary security

(i) Charge on inventories and trade receivable of the Company along with other current assets (excluding investments) on pari passu basis with working capital bankers.

Collateral security

(i) Hypothecation of the entire movable property, plant & equipments of the Company at Mangalpur unit ranking pari-passu for charge basis with other working capital lenders.

(ii) 1st pari passu charge by way of equitable mortgage of factory Land & Building of Mangalpur unit admeasuring 10 acres.

(iii) 2nd pari-passu charge by way of equitable mortgage of factory Land & Building of Jamuria unit admeasuring 309.19 acres.

(iv) Hypothecation of the entire moveable property, plant & equipment of the Company at Jamuria unit ranking pari-passu second charge basis with other working capitals lenders.

(v) Hypothecation of the entire movable property, plant & equipment of the Company at new Aluminium Foil unit at Pakuria (except assets specifically charged to equipment financier, i.e., OLB Bank) ranking pari-passu second charge basis with other working capital lenders.

(vi) Mortgage of factory land and building of the Company measuring about 5.405 acres at Pakuria Aluminium Foil unit ranking pari-passu second charge basis with other working capital lenders.



20 Lease liabilities

(A) Non-current lease liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------------------|------------------------|------------------------|
| Lease liabilities (refer note 2B) | 6.18 | 6.14 |
| Total | 6.18 | 6.14 |

(B) Current lease liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------------------|------------------------|------------------------|
| Lease liabilities (refer note 2B) | 0.55 | 0.55 |
| Total | 0.55 | 0.55 |

21 Other Financial Liabilities

(A) Non-current financial liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-----------------|------------------------|------------------------|
| Retention money | 27.36 | 16.20 |
| Total | 27.36 | 16.20 |

(B) Current financial liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Interest accrued but not due on borrowings | 21.26 | 4.83 |
| Creditors for capital goods | 551.03 | 189.12 |
| Trade Deposit | - | 1.00 |
| Mark-to-market impact on forward contract | 2.07 | - |
| Payable towards acquisition of Mittal Corp Limited [refer note 47] | - | 343.77 |
| Employee related payables | 20.65 | 16.07 |
| Total | 595.01 | 554.79 |

22 Provisions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Non-current : | | |
| Provision for employee benefits - Gratuity (refer note 38) | 10.77 | 7.85 |
| Total | 10.77 | 7.85 |
| Current : | | |
| Provision for employee benefits - Gratuity (refer note 38) | 0.73 | 0.49 |
| Provision for employee benefits - Leave encashment | 4.47 | 1.18 |
| Total | 5.20 | 1.67 |

23 Deferred tax Assets (net)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Deferred tax liabilities arising on account of: | | |
| Property, plant and equipment and other intangible assets | 50.89 | 72.59 |
| Right-of-use assets | 10.73 | 6.00 |
| Fair valuation of financial instruments through OCI | 8.59 | - |
| Others | 2.03 | 2.03 |
| | 72.24 | 80.62 |
| Deferred tax assets arising on account of: | | |
| Lease liabilities | 1.69 | 1.68 |
| Allowance for bad and doubtful debts | 2.12 | 0.10 |
| Provision for employee benefits | 3.80 | 2.46 |
| Provision for slow and non-moving items | 0.47 | - |
| Provision for subsidy and incentive receivable | 4.19 | - |
| Unabsorbed business losses and depreciation | 82.50 | 120.38 |
| Others | 10.16 | 7.64 |
| | 104.93 | 132.26 |
| Deferred Tax Assets (net) | 32.69 | 51.64 |



23 Deferred tax Assets (net) (cont'd)

(a) Movement in of deferred tax (assets) / liabilities (net):

| Particulars | Balance as at the beginning of the year | Recognised in the statement of Profit and Loss | Recognised in Other Comprehensive Income | Balance as at the end of the year |
|---|---|--|--|-----------------------------------|
| Year ended 31 March 2024: | | | | |
| Deferred tax liabilities arising on account of: | | | | |
| Property, plant and equipment and other intangible assets | 72.59 | (21.70) | - | 50.89 |
| Right-of-use assets | 6.00 | 4.73 | - | 10.73 |
| Fair valuation of financial instruments through OCI | - | 8.59 | - | 8.59 |
| Others | 2.03 | - | - | 2.03 |
| Deferred tax assets arising on account of: | | | | |
| Lease liabilities | 1.68 | 0.01 | - | 1.69 |
| Allowance for bad and doubtful debts | 0.10 | 2.02 | - | 2.12 |
| Provision for employee benefits | 2.46 | 1.56 | (0.22) | 3.80 |
| Provision for slow and non-moving items | - | 0.47 | - | 0.47 |
| Provision for subsidy and incentive receivable | - | 4.19 | - | 4.19 |
| Unabsorbed business losses and depreciation | 120.38 | (37.88) | - | 82.50 |
| Others | 7.64 | 2.52 | - | 10.16 |
| | 51.64 | (18.73) | (0.22) | 32.69 |
| Year ended 31 March 2023: | | | | |
| Deferred tax liabilities arising on account of: | | | | |
| Property, plant and equipment and other intangible assets | 46.22 | 26.37 | - | 72.59 |
| Right-of-use assets | - | 6.00 | - | 6.00 |
| Others | 1.32 | 0.71 | - | 2.03 |
| Deferred tax assets arising on account of: | | | | |
| Lease liabilities | 0.70 | 0.98 | - | 1.68 |
| Allowance for bad and doubtful debts | 0.04 | 0.06 | - | 0.10 |
| Provision for employee benefits | 1.87 | 0.69 | (0.10) | 2.46 |
| Unabsorbed business losses and depreciation | 69.22 | 51.16 | - | 120.38 |
| Others | 9.44 | (1.65) | - | 7.79 |
| | 33.73 | 18.16 | (0.10) | 51.79 |

24 Other liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Non-current: | | |
| Deferred revenue grant | 0.23 | 0.29 |
| Total | 0.23 | 0.29 |
| Current: | | |
| Statutory dues payable | 9.09 | 7.54 |
| Advance from customers | 36.79 | 52.67 |
| Other payables | 75.33 | 63.26 |
| Deferred revenue grant | 0.06 | 0.06 |
| Total | 121.27 | 123.53 |



25 Trade payables

| Particulars | As at | As at |
|---|-----------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Total outstanding due of micro enterprise and small enterprise (refer note below) | - | 11.58 |
| Total outstanding due to creditors other than micro enterprise and small enterprise | 1,776.40 | 747.49 |
| Total | 1,776.40 | 759.07 |

Note:

The amount due to the Micro and Small Enterprise as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of the information available with the Company, The disclosures relating to micro and small enterprises is as below:

| Particulars | As at | As at |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| (a) Dues remaining unpaid to any supplier at the year end | | |
| - Principal | - | 11.58 |
| - Interest on the above | - | - |
| (b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year | | |
| - Principal beyond the appointed date | - | - |
| - Interest paid in terms of Section 16 of the MSMED Act | - | - |
| (c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year | - | - |
| (d) Amount of interest accrued and remaining unpaid | - | - |
| (e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises | - | - |

(b) Trade Payable ageing schedule:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|---------------|--|--------------|-------------|-------------------|-----------------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| As at 31 March 2024: | | | | | | |
| - MSME | - | - | - | - | - | - |
| - Others | 763.94 | 983.64 | 13.35 | 6.98 | 8.49 | 1,776.40 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| Total Trade Payables | 763.94 | 983.64 | 13.35 | 6.98 | 8.49 | 1,776.40 |
| As at 31 March 2023: | | | | | | |
| - MSME | - | 11.58 | - | - | - | 11.58 |
| - Others | 599.12 | 131.46 | 8.22 | 8.69 | - | 747.49 |
| - Disputed dues - MSME | - | - | - | - | - | - |
| - Disputed dues - Others | - | - | - | - | - | - |
| Total Trade Payables | 599.12 | 143.04 | 8.22 | 8.69 | - | 759.07 |

26 Current tax liabilities

| Particulars | As at | As at |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Provision for tax (net of advance tax and taxes deducted at source amounting to ₹ 0.37 crores (31 March 2023: ₹ 0.37 crores)) | 3.69 | 76.20 |
| Total | 3.69 | 76.20 |



27 Revenue from operations

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--------------------------------------|-----------------------------|-----------------------------|
| Sale of Products | | |
| - Sale of Manufactured products | 7,455.10 | 6,883.34 |
| - Sale of Services | 27.51 | 15.93 |
| - Sale of Traded goods | 62.92 | 127.61 |
| - Sale of Miscellaneous items | 37.77 | 31.64 |
| | 7,583.30 | 7,058.52 |
| Other Operating Revenues | | |
| Export incentive received | 9.39 | 10.68 |
| Other incentive & subsidies received | 0.22 | 0.41 |
| Others operative revenue | 16.09 | 12.95 |
| Total | 7,609.00 | 7,082.56 |

Notes:

(a) Disclosures pursuant to Ind AS 115 - Revenue from contract with customers, are as follows:

(i) Reconciliation of revenue recognised in the Statement of Profit and Loss with the contracted price:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Sale of goods and services | 7,563.92 | 7,046.06 |
| Less: Variable consideration (Discounts etc.) | 19.38 | 12.46 |
| Total | 7,583.30 | 7,058.52 |

(ii) Disaggregated revenue information:

- Revenue by product lines and others:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|----------------|-----------------------------|-----------------------------|
| Wire Rod | 1,511.92 | 1,426.57 |
| Sponge Iron | 1,290.43 | 805.21 |
| TMT Bars | 839.63 | 837.85 |
| Aluminium Foil | 500.01 | 325.71 |
| Iron pellets | 313.22 | 457.41 |
| Billets | 244.30 | 489.99 |
| Others | 2,883.79 | 2,715.78 |
| Total | 7,583.30 | 7,058.52 |

- Revenue by geography:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---------------|-----------------------------|-----------------------------|
| India | 6,454.21 | 5,969.39 |
| Outside India | 1,129.09 | 1,089.13 |
| Total | 7,583.30 | 7,058.52 |

(b) The following table provides information about receivables, contract asset and contract liabilities from contracts with customers:-

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Receivable which are included in Trade and other receivables | 551.48 | 379.16 |
| Contract assets | - | 72.56 |
| Contract liabilities | 36.79 | 52.67 |

(c) Performance Obligation

The Company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customers, generally on delivery of the goods and the performance obligation of the company is satisfied upon delivery of the goods to the customers.

28 Other Income

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Interest received on financial assets carried at amortised cost: | | |
| - Deposits | 2.02 | 7.00 |
| - Others | 19.43 | 20.02 |
| - AIF/ Bond | 13.89 | 18.74 |
| Net Gain on sale of Investments measured at fair value through Profit and Loss | 5.13 | 10.16 |
| Gain from fair valuation of investments carried at fair value through Profit and Loss | | |
| - Mutual Fund, Non Convertible debentures and Bonds | 28.99 | 3.82 |
| Dividend received on investments | 1.08 | 0.72 |
| Insurance claim received | 7.89 | 0.43 |
| Miscellaneous Income | 7.83 | 3.58 |
| Total | 86.26 | 64.47 |



29 Cost of materials consumed

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---------------------|-----------------------------|-----------------------------|
| Opening stock | 682.83 | 818.34 |
| Add: Purchases | 5,726.37 | 4,764.09 |
| | 6,409.20 | 5,582.43 |
| Less: Sales | - | - |
| Less: Closing Stock | 833.51 | 682.83 |
| Total | 5,575.69 | 4,899.60 |

30 Changes in inventories of finished goods, traded goods and by-products

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Opening Stock | | |
| Finished Goods | 276.71 | 168.94 |
| Work-in-Progress | - | 11.02 |
| Traded Goods | 2.90 | 2.99 |
| By-Products | 23.40 | 3.81 |
| | 303.01 | 186.76 |
| Closing Stock | | |
| Finished goods | 326.08 | 276.71 |
| Traded goods | 4.22 | 2.90 |
| By-Products | 109.18 | 23.40 |
| | 439.48 | 303.01 |
| (Increase) / decrease in inventories | (136.47) | (116.25) |

31 Employee benefits expense

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Salaries, wages and bonus | 172.19 | 144.83 |
| Employee share-based compensation expense | 3.59 | - |
| Contribution to provident and other funds | 8.02 | 6.77 |
| Staff welfare expenses | 2.68 | 4.15 |
| Total | 186.48 | 155.75 |

Notes:

(a) During the year the Company recognised an amount of ₹ 6.21 crores (31 March 2023: ₹ 5.02 crores) as remuneration to Key Managerial Personnel. The details of such remuneration is as below:

Payment to Key Managerial Personnel

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|------------------------------|-----------------------------|-----------------------------|
| Short-term employee benefits | 6.21 | 5.02 |
| Post-employment benefits | - | - |
| Other long-term benefits | - | - |
| Total | 6.21 | 5.02 |

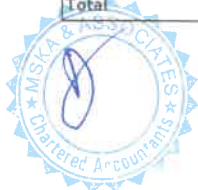
(b) For disclosures pertaining to defined benefit obligations refer note 38.

32 Finance cost

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Interest expense: | | |
| - On borrowings | 60.04 | 32.77 |
| - Interest expenses on lease liability | 0.79 | 0.26 |
| Other borrowing cost | 10.20 | 11.17 |
| Total | 71.03 | 44.20 |

33 Depreciation and amortisation

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Depreciation on property, plant and equipment (refer note 2A) | 373.62 | 232.46 |
| Depreciation on right-of-use assets (refer note 2B) | 1.09 | 1.98 |
| Amortisation of intangible assets (refer note 4) | 51.86 | 3.27 |
| Total | 426.57 | 237.71 |



34 Other expenses

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Rent and hire charges | 21.05 | 23.84 |
| Rates and taxes | 8.92 | 1.75 |
| Power, fuel and electricity expenses | 372.00 | 448.10 |
| Consumption of stores and spares parts | 218.19 | 201.29 |
| Repairs and maintenance charges: | | |
| - Building | 26.52 | 16.94 |
| - Machinery | 4.61 | 3.52 |
| - Other repair charges | 7.35 | 11.69 |
| Insurance | 9.43 | 5.58 |
| Commission and brokerage on sales | 4.96 | 8.61 |
| Advertisement and sales promotion expenses | 8.78 | 42.70 |
| Legal and professional fees | 15.22 | 13.94 |
| Charity and donations | 0.22 | 0.11 |
| Labour charges | 114.17 | 90.86 |
| Freight and forwarding expenses | 89.33 | 63.24 |
| Payment to auditor [refer note (a) below] | 0.31 | 0.20 |
| Corporate social responsibility (refer note 43) | 16.53 | 13.11 |
| Exchange loss fluctuation (net) | - | 18.18 |
| Fair value loss on forward contracts | - | 24.99 |
| Provision as per expected credit loss | 8.03 | 0.26 |
| Provision for subsidy and incentive receivable | 16.66 | - |
| Bad debts written off | 0.48 | 0.05 |
| Miscellaneous expenses | 37.61 | 27.08 |
| Total | 980.37 | 1,016.04 |

(a) Payment to statutory Auditor

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Statutory audit fees (including limited reviews) | 0.28 | 0.17 |
| Tax audit fees | 0.03 | 0.03 |
| Other fees | - | - |
| Total | 0.31 | 0.20 |

35 Tax expense

(a) Income tax expense charged to the Statement of Profit or Loss:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--------------------------------|-----------------------------|-----------------------------|
| Current tax | - | 213.26 |
| Prior year taxes | (213.26) | - |
| Deferred tax charge / (credit) | 18.73 | (18.16) |
| Total | (194.53) | 195.10 |

(b) Income tax expense charged to OCI

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Fair valuation of financial instruments through OCI | (0.05) | (0.21) |
| Remeasurements of the defined benefit plans | (0.17) | 0.11 |
| | (0.22) | (0.10) |

(c) Reconciliation of effective tax rate:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Profit before tax | 530.54 | 789.05 |
| Tax rate | 25.17% | 25.17% |
| Tax using the applicable tax rate | 133.53 | 198.59 |
| Tax effect of: | | |
| Expenses not deductible for tax purposes | 4.22 | - |
| Impact due to unabsorbed business losses and depreciation including prior year taxes | (324.34) | - |
| Income exempted from tax | (0.83) | - |
| Income charged under Capital Gain | 1.75 | - |
| Other adjustments | (8.83) | (3.55) |
| Tax expense as per Statement of Profit and Loss | (194.50) | 195.04 |

35 Tax expense (cont'd)

(d) The following tables provides the details of income-tax assets and current tax liabilities:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Non-current tax assets (refer note 8) | 254.53 | 30.29 |
| Current tax liabilities (refer note 26) | 3.69 | 76.20 |
| Net position | 250.84 | (45.91) |



36 Earnings per Equity Share

The Company's Earnings Per Share (EPS) is determined based on the net profit / (loss) attributable to the shareholders of the company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during that particular years including share options, except where the result would be anti-dilutive.

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Net Profit / (Loss) attributable to equity shareholders | 725.07 | 593.95 |
| Nominal value of equity shares (₹) | 10.00 | 10.00 |
| Weighted average number of equity shares for basic & Diluted EPS | 44,130,036 | 44,130,036 |
| Basic and diluted earnings per equity share (₹) | 164.30 | 134.59 |

37 Commitments and contingent liabilities

(a) Capital commitments

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 180.58 | 666.50 |

(b) As at 31 March 2024 the Company has commitments of ₹ 221.88 crores (31 March 2023 ₹ 17.56 crores) relating to further investments into various AIFs.

(c) Contingent Liabilities

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Claim against the liabilities not acknowledged as debt:- | | |
| - Excise Duty, Service Tax and GST | 103.94 | 105.66 |
| - Custom Duty | 1.55 | 1.55 |
| - Central Sales Tax/VAT | 1.43 | 1.43 |
| - Income Tax | 47.58 | - |
| - Others | 0.14 | 0.14 |
| Other money for which the company is contingently liable: | | |
| - Bills discounted with banks | 21.17 | 7.22 |
| - Other unredeemed bank guarantees | 228.59 | 158.75 |
| Total | 404.40 | 274.76 |

Notes:

(i) Pending resolution of the respective proceedings, it is not practical for the company to estimate the timing of cash outflows, if any in respect of the above as it is determinable only in receipt of judgements/decisions pending with various forums/authorities.

(ii) Based on discussion with the solicitors / favourable decisions in similar cases / legal opinion taken by the Company, the management believes that the Company has good chance of success in above mentioned cases and hence no provision there again is considered necessary.

(iii) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

The Company is awaiting the outcome of the review petition, and also directions from EPFO, if any, to assess any potential impact on the Company and consequently no adjustments have been made in the books of account.



38 Employee benefits

(A) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident and Pension Fund for the year aggregated to ₹ 6.30 crores. (31 March 2023: ₹ 5.21 crores)

(B) Defined benefit plans

The Company operates one post-employment defined benefit plan (i.e., gratuity). The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days basic salary for each year of completed service at the time of retirement/exit. Gratuity scheme is not funded by any plan assets.

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.

(a) Changes in defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Present value of obligation as at the beginning of the year | 8.53 | 7.31 |
| Interest cost | 0.63 | 0.52 |
| Current service cost | 2.29 | 1.65 |
| Benefits paid | (0.62) | (0.52) |
| Actuarial loss/(gain) on obligations | 0.67 | (0.43) |
| Present value obligation as at the end of the year | 11.50 | 8.53 |

(b) Breakup of Actuarial gain/loss:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Actuarial (gain)/loss on arising from change in financial assumption | 0.63 | (0.03) |
| Actuarial (gain)/loss on arising from experience adjustment | 0.04 | (0.40) |

(c) Reconciliation of present value of defined benefit obligation and the fair value of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Present value obligation as at the end of the year | 11.50 | 8.53 |
| Net liability recognized in balance sheet | 11.50 | 8.53 |

(d) Changes in fair value of Plan Assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Employer Direct Benefit Payments | 0.62 | 0.52 |
| Benefit Payments from Employer | (0.62) | (0.52) |
| Fair value of plan assets as at the end of the year | - | - |



38 Employee benefits (cont'd)

(e) Amount recognized in the Statement of Profit and Loss

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current service cost | 2.29 | 1.65 |
| Interest cost | 0.63 | 0.52 |
| Expected return on plan assets | - | - |
| Amount recognized in the Statement of Profit and Loss | 2.92 | 2.17 |

(f) Amount recognized in the Statement of Other Comprehensive Income

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Net Cumulative unrecognized actuarial gain/(loss) opening | - | - |
| Actuarial gain/(loss) for the year on planned benefit obligations | 0.67 | (0.43) |
| Actuarial Gain/(Loss) for the year on Asset | - | - |
| Unrecognised actuarial Gain/(Loss) at the end of the year | 0.67 | (0.43) |

(g) Principal actuarial assumptions at the reporting date

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Discount rate | 7.10% | 7.40% |
| Future salary growth (%) | 6.00% | 6.00% |
| Retirement age (years) | 58 | 58 |
| Expected average remaining working life of employee (years) | 21.74 Years | 21.45 Years |

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms of maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(h) Sensitivity analysis for gratuity liability

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

| Particulars | 31 March 2024 | | 31 March 2023 | |
|------------------------------------|---------------|----------|---------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | 10.48 | 12.75 | 7.78 | 9.45 |
| Future salary growth (1% movement) | 12.73 | 10.47 | 9.49 | 7.73 |

(i) Expected maturity analysis of the defined benefit plans in future years:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Principal actuarial assumptions at the reporting date (expressed as weighted averages): | | |
| - 1 year | 0.73 | 0.49 |
| - Between 2-5 years | 0.83 | 0.94 |
| - Between 6-10 years | 1.60 | 1.81 |

The weighted average duration of the defined benefit plan obligations at the end of the reporting period is 5.31 years (31 March 2023 - 5.94 years)

Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- **Market risk (interest rate):** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

- **Longevity risk:** The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

- **Future salary increase risk:** Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

- **Demographic risk:** If actual withdrawal rates are higher than assumed withdrawal rates, the benefits will be paid earlier than expected. Similarly if the actual withdrawal rates are lower than assumed, the benefits will be paid later than expected. The impact of this will depend on the demography of the Company and the financials assumptions.

- **Regulatory risk:** Any changes to the current Regulations by the Government, will increase (in most cases) or decrease the obligation which is not anticipated. Sometimes, the increase is many fold which will impact the financials quite significantly.



38 Employee benefits (cont'd)

(C) Share Based Payments

During the current year, Shyam Metals & Energy Limited ('Holding Company') implemented its Employee Stock Option Scheme namely the SMEL Performance Scheme ('the Plan'). The plan was approved by the members of the Holding Company on September 25th, 2023 & September 27th, 2023. The Plan enables grant of stock options to the eligible employees of the Holding Company and its subsidiaries. Further, the stock options to any single employee under the Plan shall not exceed 1% of the issued capital of the Company, at the time of grant of options, during the tenure of the Plan, subject to compliance with applicable law. The options granted under the Plan have a maximum vesting period of 4 years. The cost of options granted to the employees of the Company are recorded in accordance with Ind AS 102 Share-based payments, and is subsequently reimbursed to the Holding Company.

(a) Details of stock options and fair value of stock options granted:

| Particulars | Tranche 1 | Tranche 2 |
|-------------------------------|---|---|
| Grant date | 25 September 2023 | 27 September 2023 |
| Vesting conditions | Over a four-year period, with 20.0%, 23.0%, 23.0% and 34.0% of the grants vesting in each year, respectively. | Over a three-year period, with 40.0%, 30.0% and 30.0% of the grants vesting in each year, respectively. |
| Fair value (₹ per option) | 243.08 | 236.68 |
| Exercise price (₹ per option) | 326.00 | 221.00 |
| Method of valuation | Black-Scholes Model | Black-Scholes Model |
| Expected life (years) | 4 | 3 |
| Expected volatility (%) | 44.90% | 26.50% |
| Dividend yield (%) | 0.41% | 0.41% |
| Risk free rate of return (%) | 7.05% | 7.05% |

(b) Movement of stock options granted:

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|---|-----------------------------|-----------------------------|
| Balance as at the beginning of the year | - | - |
| Options granted during the year | 542,041 | - |
| Options exercised during the year | - | - |
| Options lapsed during the year | - | - |
| Balance as at the end of the year | 542,041 | - |

(c) During the year ended 31 March 2024, the Company has recognised an expense of ₹ 3.59 crores (31 March 2023: ₹ Nil).



Shyam Sel and Power Limited

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Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

39 Related party disclosures (as per Ind AS 24 - Related Party Disclosures) (*)

A. List of related parties and their relationship

| Nature of relation | Name of related parties |
|--|--|
| (i) Holding | Shyam Metalics & Energy Limited (SMEL) |
| (ii) Subsidiary Companies | Shyam Energy Limited Shree Sikhhar Iron & Steel Private Limited Shree Venkateshwara Electrocast Private Limited Whispering Developers Private Limited Meadow Housing Private Limited Nirjhar Commodities Private Limited Taurus Estate Private Limited (until 31 March 2024) SS Natural Resources Private Limited (w.e.f. 23 May 2022) Shyam Metalics Flat Products Private Limited (w.e.f. 14 February 2023) Shyam Metalics International DMCC (w.e.f. 17 August 2022) |
| (iii) Step-down Subsidiaries | Ramsarup Industries Limited (w.e.f. 23 May 2022) |
| (iv) Associate Entity | Kolhan Complex Private Limited |
| (v) Joint Venture Entity | Kalinga Energy & Power Limited |
| (vi) Key management personnel | Mr. Brij Bhushan Agarwal (Managing Director & Vice Chairman) Mr. Mahabir Prasad Agarwal (Non Executive Director & Chairman of SMEL) Mr. Bikram Munka (Whole Time Director) Mr. Yudhvir Singh Jain (Independent Director) Mr. Ajay Choudhury (Independent Director) Mr. Sanjay Kumar Agarwal (Jt. Managing Director) Mrs. Kiran Vimal Agarwal (Non-executive Director) Mr. Sumit Chakraborty (Whole Time Director) w.e.f. 30 April 2022) Mr. Bajrang Lal Agarwal (Whole Time Director) Mr. Rahul Gadodia (Whole Time Director) w.e.f. 30 April 2022) Mr. Susmit Changia (Chief Financial Officer until 08 November 2023) Mr. Chandan Sharma (Company Secretary) w.e.f. 18 May 2022) Mr. Abhishek Jalan(Chief Financial Officer)(w.e.f. 09 November 2023) Mr. Malay Kumar Dey (Independent Director w.e.f. 27 July 2023) Mr. Ashok Kumar Jaiswal (Independent Director w.e.f. 27 July 2023) |
| (vii) Relatives of Key Management Personnel: | Mrs. Sumitra Devi Agarwal - Wife of Mr. Mahabir Prasad Agarwal Mrs. Anita Jhunjunwala - Daughter of Mr. Mahabir Prasad Agarwal Mrs. Sangeeta Agarwal - Daughter of Mr. Mahabir Prasad Agarwal Mr. Subham Agarwal - Son of Mr. Brij Bhushan Agarwal Mr. Sheetij Agarwal - Son of Mr. Brij Bhushan Agarwal Mrs. Mittu Agarwal - Wife of Mr. Brij Bhushan Agarwal Mr. Mahabir Prasad Agarwal - Father of Mr. Brij Bhushan Agarwal Mrs. Bina Devi Agarwal - Mother of Mr. Sanjay Kumar Agarwal Mrs. Pooja Agarwal - Wife of Mr. Sanjay Kumar Agarwal Mr. Divyansh Agarwal - Son of Mr. Sanjay Agarwal Mrs. Bina Devi Agarwal - Wife of Mr. Bajrang Lal Agarwal Mrs. Sarika Munka wife of Mr. Bikram Munka Mrs. Savitri Devi Munka mother of Mr. Bikram Munka Mrs. Pallavi Julasaria wife of Mr. Abhishek Jalan Mr. Kishori Lal Jalan father of Mr. Abhishek Jalan Mrs. Sharda Jalan mother of Mr. Abhishek Jalan Mrs. Nupur Gadodia wife of Mr. Rahul Gadodia Mr. Vimal Gadodia father of Mr. Rahul Gadodia Mrs. Sanchita Chakraborty wife of Mr. Sumit Chakraborty Mrs. Shashi Sharma mother of Mr. Chandan Sharma Mrs. Kajal Sharma wife of Mr. Chandan Sharma |



Shyam Sel and Power Limited

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Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

39 Related party disclosures (as per Ind AS 24 - Related Party Disclosures) (*)

A. List of related parties and their relationship

| Nature of relation | Name of related parties |
|--|--|
| (viii) Enterprises over which Key Management Personnel (KMP) are able to exercise control /significant influence with whom there were transactions/ balance during the year: | Shyam Minmet Private Limited Dorite Tracon Private Limited Essel Plywood Private Limited Improved Realtors Private Limited Kalinga Infra-Projects Limited Kalpataru Housefin & Trading Private Limited Meghana Vyapaar Private Limited Narantak Dealcomm Limited Gajrup Commodities Private Limited Goodlook Infracon Private limited Shyam Ferro Alloys Limited Gumla Aluminium Private Limited Elysian Beautification Private Limited Sumitra Devi Agarwal Family Trust Brij Bhushan Agarwal & Sons HUF Singhbhum Steel & Power Private Limited Mahabir Prasad Agarwal Family Trust Sygma Tubes & Pipes Private Limited Subham Buildwell Private Limited Subham Capital Private Limited Suhag Overseas Trading Private Limited Toplight Mercantile Private Limited Mahabir Prasad Agarwal & Sons HUF |

(*) Names of related parties and description of relationship with the Company (where transactions have taken place during the year, except for control relationships where parties are disclosed irrespective of transactions)



(This space has been intentionally left blank)



39 Related party disclosures (as per Ind AS 24 - Related Party Disclosures) (cont'd)

B. Transaction with related parties

| Sl. No. | Particulars | Holding Company | | Subsidiaries and step-down subsidiaries | | Associate and Joint Venture entities | | Key Management Personnel and their relatives | | Enterprises over which KMP are able to exercise control /significant influence with whom there were transactions/ balance during the year | | TOTAL | |
|---------|--|------------------------------|---------------|---|---------------|--------------------------------------|---------------|--|---------------|---|---------------|------------------------------|---------------|
| | | For the period ended / As at | | For the period ended / As at | | For the period ended / As at | | For the period ended / As at | | For the period ended / As at | | For the period ended / As at | |
| | | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | Transactions | | | | | | | | | | | | |
| 1 | Sale of goods | 353.20 | 276.81 | 50.98 | 13.55 | - | - | - | - | 4.33 | 2.56 | 408.51 | 292.92 |
| 2 | Purchase of goods | 705.38 | 567.86 | 7.97 | 1.54 | - | - | - | - | 5.43 | 6.58 | 718.78 | 575.98 |
| 3 | Purchase of licences | 6.39 | - | - | - | - | - | - | - | - | - | 6.39 | - |
| 4 | Sale of licences | 1.49 | - | - | - | - | - | - | - | - | - | 1.49 | - |
| 5 | Office maintenance | - | - | - | - | - | - | - | - | 0.03 | 0.03 | 0.03 | 0.03 |
| 6 | Rent charges | - | - | - | - | - | - | - | - | 0.09 | 0.09 | 0.09 | 0.09 |
| 7 | Rent income | - | - | - | - | - | - | - | - | 0.10 | 0.11 | 0.10 | 0.11 |
| 8 | Purchase of investments | - | - | - | - | - | - | - | - | - | - | - | 0.38 |
| 9 | Sale of investments | - | 175.08 | - | - | - | - | - | - | 105.77 | - | 105.77 | 175.08 |
| 10 | Corporate social responsibility expenditure | - | - | - | - | - | - | - | - | 8.70 | - | 8.70 | - |
| 11 | Loans received | 597.00 | - | 407.27 | - | - | - | - | - | - | - | 1,004.27 | - |
| 12 | Loans recovered | - | - | 163.32 | - | - | - | - | - | 163.32 | - | 163.32 | - |
| 13 | Advances given | 1,095.29 | 1,371.06 | 244.33 | 197.18 | 0.05 | 0.01 | - | - | 727.80 | 5.31 | 2,069.95 | 1,573.56 |
| 14 | Advances recovered | - | - | 19.83 | 60.12 | - | - | - | - | 727.11 | 4.92 | 749.42 | 65.04 |
| 15 | Interest expense | 7.90 | - | - | - | - | - | - | - | - | 0.50 | 7.90 | 0.50 |
| 16 | Interest income | - | - | 16.87 | 16.83 | - | - | - | - | - | - | 16.87 | 16.83 |
| 17 | Advances received | - | 1,660.72 | 0.12 | 2.62 | - | - | - | - | 0.54 | 205.15 | 1,769.58 | 1,868.49 |
| 18 | Advances repaid | 1,768.92 | - | 0.10 | - | - | - | - | - | 0.59 | 234.69 | 234.69 | 234.69 |
| 19 | Key Managerial Personnel Compensation (Short Term Employee Benefits) | - | - | - | - | - | - | - | 5.02 | - | - | 6.21 | 5.02 |
| 20 | Directors Sitting Fees | - | - | - | - | - | - | - | 0.05 | - | - | 0.05 | 0.03 |
| 21 | Advances given/ payments for purchase of goods | - | - | - | 0.24 | - | - | - | - | - | 6.58 | - | 6.82 |
| 22 | Advances received / receipts against Sale of goods | - | - | - | 11.66 | - | - | - | - | - | 1.69 | - | 13.35 |
| | Balance outstanding: | | | | | | | | | | | | |
| 23 | Borrowings | 604.11 | - | - | - | - | - | - | - | - | - | 604.11 | - |
| 24 | Loans receivable | - | - | 112.11 | 340.89 | - | - | - | - | - | - | 112.11 | 340.89 |
| 25 | Trade payables | 696.68 | 17.99 | 1.51 | 1.33 | - | - | - | - | - | - | 698.19 | 19.32 |
| 26 | Trade receivables | - | - | 291.30 | 1.76 | - | - | - | - | 7.14 | 6.44 | 298.44 | 8.20 |

* 0.00 Figure represents value less than Rs. 1 Lakh.



40 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

| Particulars | Note No. | Carrying amount | | | | Fair value hierarchy | | | |
|-------------------------------------|----------|-----------------|--------|----------------|----------|----------------------|---------|---------|--------|
| | | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| As at 31 March 2024 | | | | | | | | | |
| Financial Assets | | | | | | | | | |
| Investment in equity shares | 6 | - | 11.36 | - | 11.36 | 11.36 | - | - | 11.36 |
| Investment in Mutual Funds and AIFs | 6 | 395.78 | - | - | 395.78 | 395.78 | - | - | 395.78 |
| Investment in Bonds and Debentures | 6 | 25.76 | - | 53.06 | 78.82 | 25.76 | - | - | 25.76 |
| Investment in Government Securities | 6 | - | - | 0.03 | 0.03 | - | - | - | - |
| Trade receivables | 11 | - | - | 551.48 | 551.48 | - | - | - | - |
| Loans | 14 | - | - | 96.87 | 96.87 | - | - | - | - |
| Cash and cash equivalents | 12 | - | - | 7.21 | 7.21 | - | - | - | - |
| Other financial assets | 15 | - | - | 73.50 | 73.50 | - | - | - | - |
| Other bank balances | 13 | - | - | 5.31 | 5.31 | - | - | - | - |
| | | 421.54 | 11.36 | 787.46 | 1,220.36 | 432.90 | - | - | 432.90 |
| Financial Liabilities | | | | | | | | | |
| Borrowings | 19 | - | - | 1,069.07 | 1,069.07 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 6.73 | 6.73 | - | - | - | - |
| Trade payable | 25 | - | - | 1,776.40 | 1,776.40 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 622.37 | 622.37 | - | - | - | - |
| | | - | - | 3,474.57 | 3,474.57 | - | - | - | - |
| As at 31 March 2023 | | | | | | | | | |
| Financial Assets | | | | | | | | | |
| Investment in equity shares | 6 | - | 11.94 | - | 11.94 | 11.94 | - | - | 11.94 |
| Investment in Mutual Funds and AIFs | 6 | 238.12 | - | - | 238.12 | 238.12 | - | - | 238.12 |
| Investment in Bonds and Debentures | 6 | 183.60 | - | - | 183.60 | 93.28 | - | 90.32 | 183.60 |
| Investment in Government Securities | 6 | - | - | 0.03 | 0.03 | - | - | - | - |
| Trade receivables | 11 | - | - | 379.16 | 379.16 | - | - | - | - |
| Loans | 14 | - | - | 336.63 | 336.63 | - | - | - | - |
| Cash and cash equivalents | 12 | - | - | 38.23 | 38.23 | - | - | - | - |
| Other financial assets | 15 | - | - | 83.95 | 83.95 | - | - | - | - |
| Other bank balances | 13 | - | - | 63.66 | 63.66 | - | - | - | - |
| | | 421.72 | 11.94 | 901.66 | 1,335.32 | 343.34 | - | 90.32 | 433.66 |
| Financial Liabilities | | | | | | | | | |
| Borrowings | 19 | - | - | 568.84 | 568.84 | - | - | - | - |
| Lease Liabilities | 20 | - | - | 6.69 | 6.69 | - | - | - | - |
| Trade payable | 25 | - | - | 759.07 | 759.07 | - | - | - | - |
| Other financial liabilities | 21 | - | - | 570.99 | 570.99 | - | - | - | - |
| | | - | - | 1,905.59 | 1,905.59 | - | - | - | - |

B. Fair value hierarchy:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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 entity 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

C. Fair value measurements

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Investments carried at fair value are generally based on market price quotations. Cos of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and co represents the best estimate of fair value within that range.

(iii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorized as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorized as level 2 in the fair value hierarchy.

(iv) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(v) There have been no transfers between Level 1 and Level 2 for the period ended March 31, 2024 and period ended March 31, 2023.



40 Financial instruments - Fair values and risk management (cont'd)

D. Risk management framework

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

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management, is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

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

- Credit risk
- Liquidity risk, and
- Market risk

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--------------------------|-----------------------------|-----------------------------|
| Variable rate borrowings | 1,068.09 | 568.07 |
| Fixed rate borrowings | 0.98 | 0.77 |

Interest rate sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars | Effect on Profit before tax | |
|---|-----------------------------|-----------------------------|
| | Year ended 31 March 2024 | Year ended 31 March 2023 |
| Increase by 50 basis points (31 March 2023: 50 bps) | (5.34) | (2.84) |
| Decrease by 50 basis points (31 March 2023: 50 bps) | 5.34 | 2.84 |

b) Foreign currency risks

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the cos of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio. Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency.

| Nature of Item | Currency | Year ended 31 March 2024 | | Year ended 31 March 2023 | |
|--|--------------|------------------------------|--------------|------------------------------|--------------|
| | | Value In Foreign Currency | Value In INR | Value In Foreign Currency | Value In INR |
| Naturally hedged foreign currency exposure | | | | | |
| Financial assets: | | | | | |
| Trade receivables | USD (\$) | 1.83 | 152.84 | 1.39 | 112.62 |
| Trade receivables | EURO (€) | 0.08 | 7.75 | 0.26 | 23.82 |
| Financial liabilities: | | | | | |
| Trade payables | USD (\$) | 1.83 | 152.84 | 1.39 | 112.62 |
| Trade payables | EURO (€) | 0.07 | 6.55 | 0.03 | 4.20 |
| Term Loan | EURO (€) | 0.01 | 1.20 | 0.23 | 19.62 |
| Net exposure in naturally hedged foreign currency (*) | | | - | | - |
| Unhedged Foreign Currency Exposure | | | | | |
| Financial assets: | | | | | |
| Trade receivables | EURO (€) | - | - | 0.01 | 1.07 |
| Financial liabilities: | | | | | |
| Trade payables | USD (\$) | 5.88 | 489.98 | 3.66 | 302.57 |
| Trade payables | Chinese Yuan | 1.61 | 18.62 | - | - |
| Term Loan | EURO (€) | 1.41 | 127.21 | 1.41 | 127.54 |
| Interest Accrued not due | USD (\$) | 0.11 | 9.50 | 0.05 | 4.03 |
| Interest Accrued not due | EURO (€) | 0.00 | 0.19 | 0.00 | 0.04 |
| Interest Accrued not due | Chinese Yuan | 0.05 | 0.59 | - | - |
| Net exposure in unhedged foreign currency (*) | | | 646.09 | | 433.11 |

(*) In accordance with Reserve Bank of India (Unhedged Foreign Currency Exposure) Directions, 2022, natural hedge shall mean a hedge arising out of the operations of the Company when cash flows offset the risk arising out of the Foreign Currency exposure (FCE). An exposure shall be considered as naturally hedged only if the offsetting exposure has the maturity / cash flow within the same accounting year.



40 Financial instruments - Fair values and risk management (cont'd)**Foreign currency sensitivity analysis**

The following table demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes in the fair value of monetary assets and liabilities.

| Particulars | Effect on Profit/(Loss) before tax | |
|-------------------------------------|------------------------------------|-----------------------------|
| | Year ended 31 March 2024 | Year ended 31 March 2023 |
| USD Sensitivity | | |
| Increase by 5% (31 March 2023 - 5%) | (24.97) | (15.33) |
| Decrease by 5% (31 March 2023 - 5%) | 24.97 | 15.33 |
| EUR Sensitivity | | |
| Increase by 5% (31 March 2023 - 5%) | (6.37) | (6.38) |
| Decrease by 5% (31 March 2023 - 5%) | 6.37 | 6.38 |
| CNY Sensitivity | | |
| Increase by 5% (31 March 2023 - 5%) | (0.96) | - |
| Decrease by 5% (31 March 2023 - 5%) | 0.96 | - |

B) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The Company has a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ 1,220.36 Crores and ₹ 1,335.32 Crores as at March 31, 2024 and March 31, 2023 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments in debt securities and other financial assets.

(i) Trade receivables

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to Customer credit risk management. Credit quality of a Customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. Any Credit risk is curtailed with arrangements with third parties.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amount as illustrated in note 40.

(C) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invest its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| Particulars | Up to 1 year | 1 to 2 years | 2 to 5 years | More than 5 years | Total |
|---|-----------------|---------------|---------------|-------------------|-----------------|
| As at 31 March 2024 | | | | | |
| Contractual maturities of borrowings | 813.91 | 103.39 | 122.22 | 29.55 | 1,069.07 |
| Contractual maturities of lease obligations | 0.63 | 0.64 | 1.96 | 34.90 | 38.13 |
| Contractual maturities of other financial liabilities | 595.01 | 7.18 | 20.18 | - | 622.37 |
| Contractual maturities of trade payables | 1,776.40 | - | - | - | 1,776.40 |
| Total | 3,185.95 | 111.21 | 144.36 | 64.45 | 3,505.97 |
| As at 31 March 2023 | | | | | |
| Contractual maturities of borrowings | 460.57 | 39.41 | 59.18 | 9.68 | 568.84 |
| Contractual maturities of lease obligations | 0.63 | 0.63 | 1.94 | 35.56 | 38.76 |
| Contractual maturities of other financial liabilities | 554.79 | 4.25 | 11.95 | - | 570.99 |
| Contractual maturities of trade payables | 747.49 | - | - | - | 747.49 |
| Total | 1,763.48 | 44.29 | 73.07 | 45.24 | 1,926.08 |



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Notes to the Financial Statements for the year ended 31 March 2024

(All amounts in ₹ crores, unless specified otherwise)

41 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and issue of non-convertible debt securities. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Borrowings (Note 19) | 1,069.07 | 568.84 |
| Lease liabilities (refer note 20) | 6.73 | 6.69 |
| Trade payables (refer note 25) | 1,776.40 | 759.07 |
| Less: Cash and cash equivalents (refer note 12) | 7.21 | 38.23 |
| Net debt | 2,844.99 | 1,296.37 |
| Equity share capital (refer note 17) | 44.13 | 44.13 |
| Other equity (refer note 18) | 4,457.41 | 3,771.74 |
| Net debt to capital ratio | 4,501.54 | 3,815.87 |
| | 1.58 | 2.94 |

Notes:

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and year ended March 31, 2023.



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42. Ratios disclosed as per requirement of Schedule III to the Act

| Ratio | Formulae | 31 March 2024 | 31 March 2023 | Variance (%) | Reason for variance |
|--|--|---------------|---------------|--------------|---------------------|
| Current Ratio (in times) | Current assets ⁽ⁱ⁾ / Current liabilities ⁽ⁱⁱ⁾ | 0.97 | 1.30 | -26% | Refer note (b) |
| Debt - Equity Ratio (in times) | Total debt ⁽ⁱⁱⁱ⁾ / Shareholder's equity | 0.24 | 0.15 | 59% | Refer note (c) |
| Debt Service Coverage Ratio (in times) | Earning available for debt Service ^(iv) / Debt Service ^(v) | 10.79 | 18.38 | -41% | Refer note (d) |
| Return on Equity (in %) | Profit after tax x 100 / Average Shareholder's Equity | 17.43% | 17.16% | 2% | Refer note (a) |
| Inventory Turnover Ratio (in times) | Sales / Average Inventory | 6.29 | 6.81 | -8% | Refer note (a) |
| Trade Receivable Turnover Ratio (in times) | Sales / Average Trade Receivables | 16.30 | 21.68 | -25% | Refer note (a) |
| Trade Payable Turnover Ratio (in times) | Purchases / Average Trade Payables | 4.57 | 6.83 | -33% | Refer note (e) |
| Net Capital Turnover Ratio (in times) | Sales / Working Capital ^(vi) | (69.63) | 11.91 | -684% | Refer note (e) |
| Net Profit Ratio (in %) | Net Profit / Net Sales | 9.56% | 8.41% | 14% | Refer note (a) |
| Return on Capital Employed (in %) | EBIT ^(vii) / Capital Employed ^(viii) | 9.47% | 18.36% | -48% | Refer note (g) |
| Return on Investment (in %) | Time Weighted Rate of Return (TWRR) ^(vii) | 10.44% | 8.56% | 22% | Refer note (a) |

Notes:

(a) Explanations have been furnished for change in ratio by more than 25% as compared to the preceding year as stipulated in Schedule III to the Act.

(b) Variance is primarily on account of increase in balances of trade payables due to increase in operations of the Company.

(c) Variance is primarily due to additional borrowings availed during the year for planned capital expenditures and working capital requirements.

(d) Variance is primarily due to increase in borrowings and consequent repayments on account of increased operations of the Company.

(e) Decrease is primarily due to increased procurements during the year on account of overall increase in operations of the Company.

(f) Decrease is primarily due to increase in capital employed as at the year end, due to fresh borrowings obtained during the year.

(g) Definitions:

(i) Current Assets = Inventories + current investments + trade receivable + cash & cash equivalents + other current assets

(ii) Current Liabilities = Current borrowings + trade payables + other financial liability + current tax liabilities + provisions + other current liability

(iii) Debt = Non-current borrowings and current maturities of non-current borrowings

(iv) Earning for available for debt service = Profit before taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like

(v) Debt service = Interest & lease payments + principal repayments

(vi) Working capital = Current assets - Current liabilities.

(vii) Earning before interest and taxes = Profit before exceptional items and tax + Finance costs - Other Income

(viii) Capital employed = Tangible net-worth (*) + debt + deferred tax liabilities (net)

(*) Net worth means the aggregate of equity share capital and other equity inclusive of net gain consequent to fair valuation of certain financial assets but excluding intangible assets.



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43 Details of CSR Expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability 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 eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

| Particulars | Year ended | Year ended |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| i) Amount required to be spent by the company during the year | 17.81 | 13.78 |
| ii) Amount of expenditure incurred | 16.53 | 13.11 |
| iii) Amount of CSR expenditure brought forward for set off | 1.93 | 2.60 |
| iv) Shortfall at the end of the year | - | - |
| v) Total of previous years shortfall (cumulative) | - | - |
| vi) Reason for shortfall | NA | NA |
| vii) Amount of CSR expenditure carried forward for set off | 0.65 | 1.93 |
| viii) 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 | - | - |
| ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | NA | NA |

Nature of CSR activities:

Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

44 Long-term and derivative contract

The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



45 Details related to borrowings secured against current assets

The Company has given current assets as security for borrowings obtained from banks. The Company duly submitted the required information with the banks on regular basis and the required reconciliation is presented below:

| Quarter ended | Particulars | Amount as per books of accounts | Amount as reported in the quarterly return / statement | Amount of difference | Reason for material variations |
|---|---------------------|---------------------------------|--|----------------------|--------------------------------|
| For the year ended 31 March 2024 | | | | | |
| 31 December 2023 | - Trade receivables | 442.87 | 442.87 | - | |
| | - Inventories | 1,339.65 | 1,339.65 | - | |
| 30 September 2023 | - Trade receivables | 397.24 | 397.24 | - | |
| | - Inventories | 1,285.22 | 1,285.22 | - | |
| 30 June 2023 | - Trade receivables | 385.37 | 385.37 | - | |
| | - Inventories | 1,219.08 | 1,219.08 | - | |
| For the year ended 31 March 2023 | | | | | |
| 31 March 2023 | - Trade receivables | 373.79 | 373.79 | - | |
| | - Inventories | 1,030.18 | 1,030.18 | - | |
| 31 December 2022 | - Trade receivables | 300.26 | 300.26 | - | |
| | - Inventories | 1,200.49 | 1,200.49 | - | |
| 30 September 2022 | - Trade receivables | 236.29 | 236.29 | - | |
| | - Inventories | 910.72 | 910.72 | - | |
| 30 June 2022 | - Trade receivables | 348.10 | 348.10 | - | |
| | - Inventories | 1,032.38 | 1,032.38 | - | |

Note: The Management of the Company is in process of submitting the quarterly statements with the banks for the quarter ended 31 March 2024.

46 Relationship with struck-off companies

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

47 Acquisitions and business combinations during the year

- (a) The Board of Directors of the Company, at its meeting held on August 31, 2022, had considered and approved the merger of Hrashva Storage and Warehousing Private Limited ('HSWPL') into the Company by way of a composite scheme of amalgamation ('the Scheme'). The Kolkata Bench of the Hon'ble National Company Law Tribunal ('NCLT') approved the scheme with the appointed date of the merger being April 1, 2022, through its order dated October 17, 2023. The accounting treatment pursuant to the Scheme has been given effect from April 1, 2022, in accordance with Appendix C to Ind AS 103 - Business Combinations ("Ind AS 103"). As per guidance on accounting for common control transactions contained in Ind AS 103, the merger has been accounted for using the pooling of interest method. Accordingly, the financial statements for the previous year and quarter ended March 31, 2023 have been restated to include the impact of the merger.
- (b) The Board of Directors of the Company, at its meeting held on August 31, 2022, had considered, and approved the amended resolution plan for acquisition and subsequent merger of one of the Debtor Mittal Corp. Limited ('MCL') into SSEL by way of a resolution plan and amalgamation scheme dated February 17, 2023 ('Resolution Plan'). The Mumbai Bench of the Hon'ble NCLT approved the resolution plan including the amalgamation scheme with the appointed date being February 17, 2023, vide its order dated October 18, 2023. The accounting treatment pursuant to the Resolution Plan has been given effect from the appointed date i.e., February 17, 2023 as prescribed in the Resolution Plan, as per the requirements of the General Circular No. 09/ 2019 dated August 21, 2019 issued by MCA ('Circular'). Further, as per guidance on accounting in Ind AS 103, the merger has been accounted for using the acquisition method of accounting for Business Combination. Accordingly, the financial statements for the previous year and quarter ended 31 March 2023 have been restated to include the impact of the merger. The difference between the fair value of net identifiable assets acquired and consideration paid on merger has been accounted for as capital reserve as on the scheme acquisition date.
- (c) The Board of Directors of the Company, at its meeting held on October 25, 2022, had considered and approved the merger of Platinum Minmet Private Limited ('PMPL') into the Company by way of a composite scheme of amalgamation. The Kolkata Bench of Hon'ble NCLT approved this composite scheme of amalgamation with the appointed date of the merger being April 1, 2022, through its order dated January 25, 2024. The accounting treatment pursuant to the above order has been given effect from April 1, 2022, in accordance with Appendix C to Ind AS 103. As per guidance on accounting for common control transactions contained in Ind AS 103, the merger has been accounted for using the pooling of interest method. Accordingly, the financial statements for the previous year ended and quarter March 31, 2023, have been restated to include the impact of the merger.



47 Acquisitions and business combinations during the year (cont'd)

- (d) Consequent to the above schemes, the Company has restated the reported financial statements of previous year ended 31 March 2023. The Summarised reconciliation of the reported and restated financial statements pursuant to the above schemes are as below:-

Statement of Profit and Loss

| Particulars | Year ended 31 March 2023 | |
|---|--------------------------|----------|
| | Reported | Restated |
| Revenue from operations | 7,053.75 | 7,082.56 |
| Profit before tax | 794.77 | 789.05 |
| Profit for the year | 599.88 | 593.95 |
| Total comprehensive income for the year | 598.63 | 592.86 |

Balance sheet

| Particulars | As at 31 March 2023 | |
|-------------------------------|---------------------|-----------------|
| | Reported | Restated |
| Total non-current assets | 2,922.75 | 3,381.94 |
| Total current assets | 2,548.58 | 2,549.06 |
| Total Assets | 5,471.33 | 5,931.00 |
| Total equity | 3,704.85 | 3,815.87 |
| Total non-current liabilities | 172.95 | 158.58 |
| Total current liabilities | 1,593.53 | 1,956.55 |
| | 5,471.33 | 5,931.00 |

Statement of Cash Flows

| Particulars | Year ended 31 March 2023 | |
|---|--------------------------|------------|
| | Reported | Restated |
| Net cash flow from operating activities (A) | 969.41 | 1,303.42 |
| Net cash used in investing activities (B) | (1,161.28) | (1,483.05) |
| Net cash flow from financing activities (C) | 167.19 | 172.75 |

- (e) The fair value of the identifiable assets and liabilities as at the date of acquisition were:

| Particulars | Fair value as on date of acquisition | Book value as on date of acquisition | |
|---|--------------------------------------|---|---------------------------------|
| | Mittal Corp. Limited | Hrashva Storage and Warehousing Private Limited | Platinum Minmet Private Limited |
| Non-current assets | | | |
| Property, plant & equipment | 225.13 | 2.85 | - |
| Capital Work in Progress | 0.18 | - | 6.48 |
| Right-of-use assets | 1.20 | - | 2.66 |
| Intangible assets | 146.70 | - | - |
| Other Non-Current Assets | 7.17 | 0.05 | 21.35 |
| Current Assets | | | |
| Inventories | 8.32 | - | - |
| Trade receivables | 1.56 | 0.10 | - |
| Cash and cash equivalents | 13.43 | 0.86 | 0.09 |
| Bank Balances other than above | - | 0.24 | - |
| Other Current Assets | 74.99 | - | 4.77 |
| Total assets (A) | 478.68 | 4.10 | 35.35 |
| Non-current liabilities | | | |
| Borrowings | 10.00 | - | - |
| Lease liabilities | - | - | 2.74 |
| Other liabilities | - | 0.86 | - |
| Current Liabilities | | | |
| Borrowings | - | 0.08 | 31.38 |
| Other Current Liabilities | 4.87 | 0.29 | 0.38 |
| Total liabilities (B) | 14.87 | 1.23 | 34.50 |
| Equity | | | |
| Equity Share Capital | - | (0.77) | (0.13) |
| Other Equity | - | 2.11 | 0.71 |
| Total Equity (C) | - | 1.34 | 0.58 |
| Total Identifiable net Assets at fair value / book value (C) | 463.81 | 1.53 | 0.27 |
| Purchase Consideration paid / Investment in Subsidiary (D) | 346.01 | 4.16 | 1.16 |
| Capital reserve arising on acquisition/merger (D-C) | (117.80) | 2.63 | 0.89 |



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48 In accordance with the first proviso to Rule 6 of Companies (Accounts) Rules, 2014, the Company has opted not to prepare the Consolidated Financial Statement ('CFS'), considering that the Company is a subsidiary of another Indian Company which files its CFS with the Registrar of Companies, which are prepared in compliance with the applicable Accounting Standards.

49 Other statutory information

- (a) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
- (b) The Company does not hold any Benami Property and hence there were no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 and the Rules made there under, hence no disclosure is required to be given as such.
- (c) The Company has not been declared as wilful defaulter as at the date of the balance sheet or on the date of approval of the financial statements, hence no disclosure is required as such.
- (d) There are no charges against the companies which are yet to be registered or satisfaction yet to be registered with ROC beyond the statutory period, hence no disclosures are required as such.
- (e) The Company does not have any investment in any downstream companies for which it has to comply with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017, hence no disclosure is required as such.
- (f) Borrowings taken by the company have been utilized only for the purpose for which it was obtained.
- (g) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year, hence disclosure requirements for the same is not applicable.
- (h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Company shall:
- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 Code of Social Security, 2020

The Code of Social Security, 2020 ('Code') relating to employee benefits during employment and post employment received Presidential assent in September 2020. Subsequently, the Ministry of Labour and Employment had released the draft rules on the aforementioned Code. However, the same is yet to be notified. The Company will evaluate the impact and make necessary adjustments to the financial Statements in the year when the Code will come into effect.

51 Figures of previous years have been regrouped / rearranged / rectified wherever necessary to make them comparable with the current periods figures.

The accompanying notes are an integral part of these financial Statements.

As per our report of even date attached.

For M S K A & Associates

Chartered Accountants

Firm Registration No. 105047W

Dipak Jaiswal
Partner

Membership No: 063682



Place: Kolkata
Date: 13 May 2024



For and on behalf of the Board of Directors

Brij Bhushan Agarwal
(Managing Director)
(DIN: 01125056)

Abhishek Jalan
(Chief Financial Officer)

Place: Kolkata
Date: 13 May 2024

Sanjay Kumar Agarwal
(Joint Managing Director)
(DIN: 00232938)

Chandan Sharma
(Company Secretary)
(MRN: A60653)

Place: Kolkata
Date: 13 May 2024